

Table of Contents

Title	Page
Accountancy, State Board of	69
Actuary, Office of the State	6
Administrative Hearings, Office of	47
Administrator for the Courts, Office of the	14
African-American Affairs, Washington State Commission on	52
Agriculture, Department of	165
Archaeology & Historic Preservation	84
Arts Commission, Washington State	223
Asian-Pacific-American Affairs, Washington State Commission	27
Attorney General, Office of the	31
Auditor, Office of the State	29
Bond Retirement & Interest	226
Caseload Forecast Council	34
Central Washington University	205
Columbia River Gorge Commission	143
Community & Technical College System	215
Community, Trade, & Economic Development, Department of	37
Conservation Commission, State	154
Convention and Trade Center, State	83

Table of Contents

Title	Page
Corrections, Department of	103
Court of Appeals	11
Criminal Justice Training Commission, Washington State	90
DSHS - Administration & Supporting Services	138
DSHS - Alcohol & Substance Abuse	129
DSHS - Children & Family Services	109
DSHS - Developmental Disabilities	118
DSHS - Economic Services Administration	126
DSHS - Information System Services	142
DSHS - Juvenile Rehabilitation	112
DSHS - Long-Term Care Services	122
DSHS - Medical Assistance Payments	132
DSHS - Mental Health	114
DSHS - Payments to Other Agencies	141
DSHS - Vocational Rehabilitation	137
Eastern Washington State Historical Society	225
Eastern Washington University	202
Ecology, Department of	144
Economic & Revenue Forecast Council	43

Table of Contents

Title	Page
Employee Compensation Adjustments, State	231
Employment Security, Department of	108
Environmental Hearings Office	153
Financial Institutions, Department of	35
Financial Management, Office of	44
Fish and Wildlife, Department of	156
Forensic Investigation Council	70
Gambling Commission, Washington State	50
General Administration, Department of	63
Governor, Office of the	19
Growth Management Hearings Board	82
Health Care Authority, Washington State	85
Health, Department of	97
Higher Education Coordinating Board	192
Hispanic Affairs, Washington State Commission on	51
Historical Society, Washington State	224
Home Care Quality Authority	96
Horse Racing Commission, Washington	71
House of Representatives	1

Table of Contents

Title	Page
Human Rights Commission	88
Indeterminate Sentence Review Board	95
Indian Affairs, Governor's Office of	26
Industrial Insurance Appeals, Board of	89
Information Services, Department of	65
Insurance Commissioner, Office of	67
Investment Board, State	56
Joint Legislative Audit & Review Committee	3
Joint Legislative Systems Committee	7
Judicial Conduct, Commission on	13
Labor & Industries, Department of	92
Legislative Evaluation & Accountability Program Committee	5
LEOFF 2 Retirement Board	81
Licensing, Department of	169
Lieutenant Governor, Office of the	21
Liquor Control Board, Washington State	72
Lottery Commission, State	49
Military Department	78
Minority & Women's Business Enterprises, Office of	62

Table of Contents

Title	Page
Municipal Research Council	61
Natural Resources, Department of	161
Office of Civil Legal Aid	18
Other Legislation	235
Outdoor Recreation, Interagency Committee for	151
Parks and Recreation Commission, State	149
Personnel Appeals Board	53
Personnel, Department of	48
Pollution Liability Insurance Program, Washington	148
Public Defense, Office of	16
Public Disclosure Commission	22
Public Employment Relations Commission	80
Public Printer	57
Public Schools - Common School Construction	191
Public Schools - Compensation Adjustments	189
Public Schools - Education of Highly Capable Students	183
Public Schools - Education Reform	185
Public Schools - Educational Service Districts	179
Public Schools - Elementary & Secondary School Improvement	181

Table of Contents

Title	Page
Public Schools - General Apportionment	174
Public Schools - Institutional Education	182
Public Schools - Learning Assistance Program (LAP)	188
Public Schools - Levy Equalization	180
Public Schools - OSPI & Statewide Programs	171
Public Schools - Pupil Transportation	175
Public Schools - School Food Services	176
Public Schools - Special Education	177
Public Schools - Student Achievement Program	184
Public Schools - Transitional Bilingual Instruction	187
Retirement Systems, Contributions to	234
Retirement Systems, Department of	54
Revenue, Department of	58
Salaries for Elected Officials, Citizens' Commission on	30
School for the Blind, State	219
School for the Deaf, State	220
Secretary of State, Office of the	23
Senate	2
Sentencing Guidelines Commission	107

Table of Contents

Title	Page
Services for the Blind, Department of	106
Special Appropriations to the Governor	227
Spokane Intercollegiate Research & Tech Inst	211
State Law Library	10
State Patrol, Washington	167
Statute Law Committee	8
Sundry Claims	230
Supreme Court	9
Tax Appeals, Board of	60
The Evergreen State College	208
Treasurer, Office of the State	28
University of Washington	194
Utilities and Transportation Commission	75
Veterans' Affairs, Department of	101
Volunteer Firefighters, Board for	77
Washington State University	198
Western Washington University	212
Work Force Training & Education Coordinating Board	221

2005-07 Omnibus Operating Budget
House of Representatives
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	57,146	57,191	57,146	57,191	57,146	57,191
2005-07 Maintenance Level	58,653	58,653	58,653	58,653	58,653	58,653
Policy Changes:						
1. General Inflation	-131	-131	-131	-131	-131	-131
2. Jt. Sel. Comm. on Fiscal Stability	0	0	0	0	150	150
3. Fiscal Stability Study	0	0	150	150	0	0
4. Children/Family Services Task Force	0	0	25	25	0	0
Total Policy Changes	-131	-131	44	44	19	19
Total 2005-07 Biennium	58,522	58,522	58,697	58,697	58,672	58,672
Difference from 2003-05	1,376	1,331	1,551	1,506	1,526	1,481
% Change from 2003-05	2.4%	2.3%	2.7%	2.6%	2.7%	2.6%

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

3. Fiscal Stability Study - Funding is provided to conduct a study of state fiscal stability that will develop recommendations to create a sustainable system of state and local finance.

4. Children/Family Services Task Force - Funding is provided for Senate Bill 5872, establishing a Joint Task Force on Children & Family Services.

2005-07 Omnibus Operating Budget
Senate
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	45,820	45,865	45,820	45,865	45,820	45,865
2005-07 Maintenance Level	46,843	46,848	46,843	46,848	46,843	46,848
Policy Changes:						
1. General Inflation	-69	-74	-69	-74	-69	-74
2. Jt. Sel. Comm. on Fiscal Stability	0	0	0	0	150	150
3. Children/Family Services Task Force	0	0	25	25	0	0
Total Policy Changes	-69	-74	-44	-49	81	76
Total 2005-07 Biennium	46,774	46,774	46,799	46,799	46,924	46,924
Difference from 2003-05	954	909	979	934	1,104	1,059
% Change from 2003-05	2.1%	2.0%	2.1%	2.0%	2.4%	2.3%

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

3. Children/Family Services Task Force - Funding is provided for Senate Bill 5872, establishing a Joint Task Force on Children & Family Services.

2005-07 Omnibus Operating Budget
Joint Legislative Audit & Review Committee
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	3,642	3,642	3,642	3,642	3,642	3,642
2005-07 Maintenance Level	3,651	3,651	3,651	3,651	3,651	3,651
Policy Changes:						
1. General Inflation	-7	-7	-7	-7	-7	-7
2. Audits of Tax Preferences (HB 1069)	0	0	0	0	734	734
3. Student Transportation Study	0	0	125	125	125	125
4. Government Performance (HB 1064)	0	0	86	86	1,427	1,427
5. Job Development Fund (HB 1903)	0	0	188	188	188	188
6. Technology Budgeting Process	0	0	100	100	100	100
7. Assess Facilities for Treatment Use	100	100	100	100	0	0
8. Basic Health Plan Study	0	0	100	100	0	0
Total Policy Changes	93	93	692	692	2,567	2,567
Total 2005-07 Biennium	3,744	3,744	4,343	4,343	6,218	6,218
Difference from 2003-05	102	102	701	701	2,576	2,576
% Change from 2003-05	2.8%	2.8%	19.2%	19.2%	70.7%	70.7%

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

3. Student Transportation Study - Consistent with the recommendations of the House Subcommittee on Education Finance Structures, JLARC will review the current state pupil transportation funding formula and evaluate the extent to which the formula captures the costs of providing pupil transportation for basic education programs. Based on this review, the study will develop alternative formulas for allocating state funding to school districts for the transportation of students for basic education programs.

4. Government Performance (HB 1064) - Funding is provided for the implementation of House Bill 1064 (government performance). If this bill is not enacted by June 30, 2005, the funding lapses.

5. Job Development Fund (HB 1903) - Funding is provided for the implementation of House Bill 1903 (job development fund). If this bill is not enacted by June 30, 2005, the funding lapses.

**2005-07 Omnibus Operating Budget
Joint Legislative Audit & Review Committee**

- 6. Technology Budgeting Process** - Funding is provided for an evaluation of the budget process used for information technology projects. A report is due in January of 2006.

- 7. Assess Facilities for Treatment Use** - Senate Bill No. 5763 (treatment of mental disorders) directs the Joint Legislative Audit and Review Committee (JLARC) to conduct a study of regional jail facilities. This item funds the contracted consultant costs of this study.

- 8. Basic Health Plan Study** - Funding is provided for a study of the state's Basic Health Plan.

2005-07 Omnibus Operating Budget
Legislative Evaluation & Accountability Program
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	3,451	3,451	3,451	3,451	3,451	3,451
2005-07 Maintenance Level	3,515	3,515	3,515	3,515	3,515	3,515
Policy Changes:						
1. General Inflation	-9	-9	-9	-9	-9	-9
Total Policy Changes	-9	-9	-9	-9	-9	-9
Total 2005-07 Biennium	3,506	3,506	3,506	3,506	3,506	3,506
Difference from 2003-05	55	55	55	55	55	55
% Change from 2003-05	1.6%	1.6%	1.6%	1.6%	1.6%	1.6%

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

2005-07 Omnibus Operating Budget
Office of the State Actuary
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	0	2,645	0	2,645	0	2,645
2005-07 Maintenance Level	0	2,711	0	2,711	0	2,711
Policy Changes:						
1. General Inflation	0	-9	0	-9	0	-9
2. Actuarial Valuation System	0	200	0	200	0	200
Total Policy Changes	0	191	0	191	0	191
Total 2005-07 Biennium	0	2,902	0	2,902	0	2,902
Difference from 2003-05	0	257	0	257	0	257
% Change from 2003-05	0.0%	9.7%	0.0%	9.7%	0.0%	9.7%

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (Department of Retirement Systems Expense Account-State)

2. Actuarial Valuation System - Funding is provided to replace actuarial valuation software. (Department of Retirement Systems Expense Account-State)

2005-07 Omnibus Operating Budget
Joint Legislative Systems Committee
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	13,629	15,442	13,629	15,442	13,629	15,442
2005-07 Maintenance Level	14,117	15,897	14,117	15,897	14,117	15,897
Policy Changes:						
1. General Inflation	-75	-80	-75	-80	-75	-80
2. Competitive Salary Adjustments	154	175	138	159	138	159
Total Policy Changes	79	95	63	79	63	79
Total 2005-07 Biennium	14,196	15,992	14,180	15,976	14,180	15,976
Difference from 2003-05	567	550	551	534	551	534
% Change from 2003-05	4.2%	3.6%	4.0%	3.5%	4.0%	3.5%

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

2. Competitive Salary Adjustments - Funding is provided to continue a three-year phased approach, started in FY 2005, to augment budgeted 2.5 percent merit increases with salary increases that will better align current salaries of permanent staff with market conditions. (General Fund-State, Legislative Systems Revolving Account-Non-Appropriated)

2005-07 Omnibus Operating Budget
Statute Law Committee
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	7,914	10,161	7,914	10,161	7,914	10,161
2005-07 Maintenance Level	8,222	10,519	8,222	10,519	8,222	10,519
Policy Changes:						
1. General Inflation	-38	-59	-38	-59	-38	-59
Total Policy Changes	-38	-59	-38	-59	-38	-59
Total 2005-07 Biennium	8,184	10,460	8,184	10,460	8,184	10,460
Difference from 2003-05	270	299	270	299	270	299
% Change from 2003-05	3.4%	2.9%	3.4%	2.9%	3.4%	2.9%

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

2005-07 Omnibus Operating Budget
Supreme Court
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	11,339	11,339	11,339	11,339	11,339	11,339
2005-07 Maintenance Level	11,632	11,632	11,632	11,632	11,632	11,632
Policy Changes:						
1. General Inflation	-5	-5	-5	-5	-5	-5
2. Editorial Assistant	0	0	0	0	47	47
3. Access to Justice	200	200	200	200	100	100
4. Employee Reclassification	0	0	0	0	184	184
Total Policy Changes	195	195	195	195	326	326
Total 2005-07 Biennium	11,827	11,827	11,827	11,827	11,958	11,958
Difference from 2003-05	488	488	488	488	619	619
% Change from 2003-05	4.3%	4.3%	4.3%	4.3%	5.5%	5.5%

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

3. Access to Justice - Funding is provided for one and a half staff for the Access to Justice Board (AJB). The AJB was created by court rule in 2000 and has operated since using volunteers; state funding is needed to continue services. Recently, the AJB has taken on a greater coordinating role, doing statewide planning to improve civil indigent legal services.

2005-07 Omnibus Operating Budget
State Law Library
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	4,127	4,127	4,127	4,127	4,127	4,127
2005-07 Maintenance Level	3,946	3,946	3,946	3,946	3,946	3,946
Policy Changes:						
1. General Inflation	-3	-3	-3	-3	-3	-3
2. Law Library Reclassification	0	0	0	0	22	22
Total Policy Changes	-3	-3	-3	-3	19	19
Total 2005-07 Biennium	3,943	3,943	3,943	3,943	3,965	3,965
Difference from 2003-05	-184	-184	-184	-184	-162	-162
% Change from 2003-05	-4.5%	-4.5%	-4.5%	-4.5%	-3.9%	-3.9%

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

2005-07 Omnibus Operating Budget
Court of Appeals
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	25,814	25,814	25,814	25,814	25,814	25,814
2005-07 Maintenance Level	26,549	26,549	26,549	26,549	26,549	26,549
Policy Changes:						
1. General Inflation	-84	-84	-84	-84	-84	-84
2. Salary Reclassification	120	120	120	120	410	410
3. Additional Staff	293	293	293	293	420	420
4. Division III Security	28	28	28	28	44	44
5. Division III Local Hearings	16	16	16	16	0	0
Total Policy Changes	373	373	373	373	790	790
Total 2005-07 Biennium	26,922	26,922	26,922	26,922	27,339	27,339
Difference from 2003-05	1,108	1,108	1,108	1,108	1,525	1,525
% Change from 2003-05	4.3%	4.3%	4.3%	4.3%	5.9%	5.9%

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

2. Salary Reclassification - Funding is provided for salary reclassifications for Judicial Administrative Assistants and Commissioner Administrative Assistants and related benchmarked positions. The Court of Appeals provided evidence that these positions have turnover issues and that their salary is more than 25 percent lower than comparable positions at other agencies. The level of funding provided will bring these salaries up to 25 percent of comparable positions. This is consistent with the approach used in the collective bargaining agreement "salary survey" adjustments made by Governor for represented employees at executive agencies. Also, funding is provided in the Office of the Administrator for the Courts budget to contract with the Department of Personnel (DOP) for a more comprehensive salary survey of all judicial agencies, so that judicial salary reclassifications can be reconsidered in future budget requests. The DOP has provided similar functions for other non-executive agencies in the past, such as the House of Representatives.

3. Additional Staff - Funding is provided to partially restore across-the-board cuts made to staffing levels at the Court of Appeals (COA) during the 2003-05 biennium. Adding three staff will enable the COA to keep its current staff to workload ratio, preventing additional delays in turnaround. Unlike the Supreme Court, the COA does not have the discretion to turn down cases and mitigate its workload, which has continued to grow. Including this staffing addition, the COA would still have 4% fewer total FTEs in 2005-07 than in 1999-01.

2005-07 Omnibus Operating Budget
Court of Appeals

4. Division III Security - Funding is provided to insure staffing of metal detectors and x-ray equipment at Division III, on days the court is in session. Security staffing will improve public safety during appellate proceedings, and make the level of security at Division III consistent with the other divisions. Although security equipment is now in place, staffing was cut by the Court of Appeals as a budget measure during the 2003-05 biennium.

5. Division III Local Hearings - Funding is provided to allow the COA Division III to resume hearing oral arguments in cities other than Spokane several times per year, in locations such as Yakima and the Tri-Cities. This service was cut back in response to across-the-board cuts during the 2003-05 biennium. Division III is the largest of the three geographic divisions, and includes most of eastern Washington. By traveling to these locations a few times per year, the COA can save higher combined travel costs for local prosecutors, attorneys general, and appellate defense attorneys.

2005-07 Omnibus Operating Budget
Commission on Judicial Conduct
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	1,848	1,848	1,848	1,848	1,848	1,848
2005-07 Maintenance Level	2,058	2,060	2,058	2,060	2,058	2,060
Policy Changes:						
1. General Inflation	-8	-10	-8	-10	-8	-10
2. Microfiche-Microfilm Conversion	0	0	0	0	10	10
3. Computer Replacement	38	38	38	38	38	38
Total Policy Changes	30	28	30	28	40	38
Total 2005-07 Biennium	2,088	2,088	2,088	2,088	2,098	2,098
Difference from 2003-05	240	240	240	240	250	250
% Change from 2003-05	13.0%	13.0%	13.0%	13.0%	13.5%	13.5%

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

3. Computer Replacement - Funding is provided to replace and upgrade the Commission's computers, servers, firewall, and related software, which are all over five years old, over their life expectancy.

2005-07 Omnibus Operating Budget
Office of the Administrator for the Courts
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	79,870	111,799	79,870	111,799	79,870	111,799
2005-07 Maintenance Level	82,286	97,947	82,286	97,947	82,286	97,947
Policy Changes:						
1. General Inflation	-133	-295	-133	-295	-133	-295
2. Office Consolidation	0	0	390	390	780	780
3. JIS Migration Phase III Development	0	9,700	0	9,700	0	9,700
4. Equipment Replacement	3,890	3,890	3,890	3,890	3,890	3,890
5. Court Interpreter Enhancements	143	143	143	143	143	143
6. CASA/GAL Program Support	300	300	300	300	0	0
7. Performance Audits	0	0	0	0	50	50
8. Driving Privilege (HB 1854)	0	0	0	0	28	28
9. JIS Costs to Implement Legislation	0	0	75	75	0	0
10. Superior Ct Judge-Skagit (HB 1112)	0	0	164	164	164	164
11. Assist Locals with Judges' Salaries	7,335	7,335	0	0	0	0
12. Contract for Salary Survey	10	10	10	10	0	0
13. Trial Court Improvement (SB 5454)	0	0	0	0	0	1,440
Total Policy Changes	11,545	21,083	4,839	14,377	4,922	15,900
Total 2005-07 Biennium	93,831	119,030	87,125	112,324	87,208	113,847
Difference from 2003-05	13,961	7,231	7,255	525	7,338	2,048
% Change from 2003-05	17.5%	6.5%	9.1%	0.5%	9.2%	1.8%

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

2. Office Consolidation - Funding is provided for a portion of the OAC's costs to co-locate and consolidate their offices in renovated facilities that will support their long-term space and technology needs. (Public Safety and Education Account-State)

**2005-07 Omnibus Operating Budget
Office of the Administrator for the Courts**

3. JIS Migration Phase III Development - Funding from a dedicated account is provided for continuation of the Judicial Information System (JIS) migration, including replacement of the legacy mainframe court case management systems. Additional funding requested by the agency from the Public Safety and Education Account is not provided at this time. (Judicial Information Systems Account-State)

4. Equipment Replacement - Funding is provided for OAC to purchase replacement computer equipment for local courts which use the Judicial Information System. Using a five-year cycle for replacement, most counties need replacement of personal computers and printers. By funding this item, county clerks will not have to pursue local funding or risk hardware failures. (Public Safety and Education Account-State)

5. Court Interpreter Enhancements - Funding is provided for grants to local courts for additional court interpreter training. The trainings are necessary in order to produce a greater number of qualified court language interpreters, particularly in less-commonly known languages. (Public Safety and Education Account-State)

6. CASA/GAL Program Support - Funding is provided to expand training and support for the Dependency Court Appointed Special Advocate (CASA)/Guardian ad Litem (GAL) programs serving abused and neglected children throughout the state. Funds will be distributed to local CASA programs in accordance with a formula established by the State's Juvenile Court Administrators.

9. JIS Costs to Implement Legislation - One-time funding is provided for Judicial Information System (JIS) programming costs required to implement HB 1854 (driving privilege) and SB 5454 (court operations). If neither bill is enacted by June 30, 2005, then the funding will lapse. (Public Safety and Education Account-State)

10. Superior Ct Judge-Skagit (HB 1112) - Funding is provided to support an additional superior court position in Skagit County, as required by House Bill 1112 (superior court positions). The level of funding provided is the state's match for half the salary for one judge, and full benefits. The county pays the other half of the judge's salary. If the legislation is not enacted by June 30, 2005, the funding lapses.

12. Contract for Salary Survey - Funding is provided to contract with the Department of Personnel (DOP) for a comprehensive salary survey of all judicial agencies, so that judicial salary reclassifications can be reconsidered in future budget requests. The DOP has provided similar functions for other non-executive agencies in the past, such as the House of Representatives.

2005-07 Omnibus Operating Budget
Office of Public Defense
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	14,349	14,349	14,349	14,349	14,349	14,349
2005-07 Maintenance Level	14,832	14,832	14,832	14,832	14,832	14,832
Policy Changes:						
1. Public Defender Training Grants #	600	600	0	0	0	0
2. General Inflation	-261	-261	-261	-261	-261	-261
3. Trial Level Indigent Defense	520	5,260	0	0	1,260	1,260
4. Equalization of Attorney Pay	158	158	158	158	322	322
5. Attorney Vendor Rate Increase	192	192	124	124	124	124
6. Dependency and Termination Program#	8,985	8,985	1,800	1,800	7,000	7,000
7. Rate Change for Court Reporter	61	61	39	39	39	39
Total Policy Changes	10,255	14,995	1,860	1,860	8,484	8,484
Total 2005-07 Biennium	25,087	29,827	16,692	16,692	23,316	23,316
Difference from 2003-05	10,738	15,478	2,343	2,343	8,967	8,967
% Change from 2003-05	74.8%	107.9%	16.3%	16.3%	62.5%	62.5%

Comments:

2. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

3. Trial Level Indigent Defense - Funding is provided for the implementation of Engrossed Second Substitute House Bill 5454 (revising trial court funding provisions). If legislation is not enacted by June 30, 2005, the funding lapses. (Judicial Improvement Subaccount)

4. Equalization of Attorney Pay - Funding is provided to equalize pay rates for all attorneys performing indigent appellate services. (Public Safety and Education Account-State)

5. Attorney Vendor Rate Increase - Funding is budgeted for an inflationary adjustment to attorneys who provide appellate defense for indigent defendants, in an amount similar to that provided in other vendor rate increases. (Public Safety and Education Account-State)

**2005-07 Omnibus Operating Budget
Office of Public Defense**

6. Dependency and Termination Program# - Funding is provided to expand indigent parent representation in dependency and termination cases. Effective representation has reduced waits in foster care pending trial, and has increased successful family reunifications. The level of funding provided will effectively double the current program, which covers Pierce and Benton-Franklin Counties. Supplemental funding to expand the program to up to two thirds of the state is appropriated separately in SB 5454 (court operations). (If SB 5454 is not enacted by June 30, 2005, then the supplemental funding would lapse, but the \$1.8 million provided in state general funds above will remain.)

7. Rate Change for Court Reporter - Funding is budgeted for an inflationary adjustment to attorneys who provide appellate defense for indigent defendants, in an amount similar to that provided in other vendor rate increases. (Public Safety and Education Account-State)

2005-07 Omnibus Operating Budget
Office of Civil Legal Aid
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	0	0	0	0	0	0
2005-07 Maintenance Level	0	0	0	0	0	0
Policy Changes:						
1. Civil Legal Svcs (SB 5454)	0	0	0	0	3,000	3,000
2. Transfer Civil Legal Svcs (HB 1747)	0	0	13,407	13,407	13,407	13,407
Total Policy Changes	0	0	13,407	13,407	16,407	16,407
Total 2005-07 Biennium	0	0	13,407	13,407	16,407	16,407
Difference from 2003-05	0	0	13,407	13,407	16,407	16,407
% Change from 2003-05	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Comments:

2. Transfer Civil Legal Svcs (HB 1747) - Funding for civil legal aid is transferred from the Department of Community Trade and Economic Development (CTED) to the Office of Civil Legal Aid (OCLA), a new judicial agency created by SHB 1747 (indigent persons/legal aid). The OCLA will contract for civil legal services for indigent persons. Total funding is no different than the level provided in CTED, but the new agency is expected to function more strategically as part of the judicial branch. If legislation is not enacted by June 30, 2005 creating the OCLA, then the funding will remain in CTED. (General Fund, Public Safety and Education Account; Violence Reduction and Drug Enforcement)

2005-07 Omnibus Operating Budget
Office of the Governor
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	7,846	12,882	7,846	12,882	7,846	12,882
2005-07 Maintenance Level	9,537	14,718	9,537	14,718	9,537	14,718
Policy Changes:						
1. Ombudsman System Specialist	68	68	68	68	68	68
2. Public Involvement and Education	0	100	0	100	0	100
3. Hood Canal Corrective Action	400	600	400	600	400	600
4. Middle Management Reduction	0	-32	0	-32	0	-32
5. PSWQ Expenditures	0	26	0	26	0	26
6. General Inflation	-33	-46	-33	-46	-33	-46
7. Early Learning Council (HB 1152)	0	0	350	350	544	544
8. Hood Canal Program (ESHB 2097)	0	0	200	200	200	200
9. Oil Spill Advisory Council	0	508	0	508	0	0
10. Invasive Species Council	200	200	0	0	0	0
11. Ocean Policy Review Commission	230	230	200	200	0	0
Total Policy Changes	865	1,654	1,185	1,974	1,179	1,460
Total 2005-07 Biennium	10,402	16,372	10,722	16,692	10,716	16,178
Difference from 2003-05	2,556	3,490	2,876	3,810	2,870	3,296
% Change from 2003-05	32.6%	27.1%	36.7%	29.6%	36.6%	25.6%

Comments:

1. Ombudsman System Specialist - The Office of the Family and Children's Ombudsman (OFCO) is given funding for a half-time position that will provide technical assistance, data entry, and information management regarding complaint investigations as well as systemic investigations initiated by the ombudsman.

2. Public Involvement and Education - The Puget Sound Water Quality (PSWQ) Action Team's public involvement and education funding is increased. (Water Quality Account-State)

3. Hood Canal Corrective Action - The Puget Sound Water Quality Action Team will take corrective action for Hood Canal, including salmon carcasses out of the area and implementing alternative septic technology. (General Fund-State, General Fund-Federal)

4. Middle Management Reduction - Middle management positions are reduced.

2005-07 Omnibus Operating Budget
Office of the Governor

5. PSWQ Expenditures - Staffing of the Ballast Water Work Group is transferred from the Department of Fish and Wildlife to the PSWQ Action Team. The work group is directed to prepare a report on all issues related to the implementation of the state ballast water program for the Legislature by December 15, 2006. (Water Quality Account-State)

6. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

7. Early Learning Council (HB 1152) - Funds are provided for the operation of the Early Learning Council, created by House Bill 1152. If the bill is not enacted by June 30, 2005, the funding will lapse.

8. Hood Canal Program (ESHB 2097) - Funding is provided to implement Engrossed Substitute House Bill 2097 (establishing a management program for Hood Canal rehabilitation). The bill designates Puget Sound Action Team (PSAT) as the state lead agency for the Hood Canal rehabilitation program, and the Hood Canal Coordinating Council (HCCC) as the local management board for the program.

9. Oil Spill Advisory Council - Funding is provided for implementation of Senate Bill 5432, creating the Oil Spill Advisory Council (Oil Spill Prevention Account).

11. Ocean Policy Review Commission - One-time funding is provided to review and recommend policies to more effectively manage and protect the state's coastal and ocean resources.

2005-07 Omnibus Operating Budget
Office of the Lieutenant Governor
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	1,106	1,106	1,106	1,106	1,106	1,106
2005-07 Maintenance Level	1,198	1,198	1,198	1,198	1,198	1,198
Policy Changes:						
1. Legislative and Community Liaison	226	226	300	300	327	327
2. General Inflation	-2	-2	-2	-2	-2	-2
3. Exempt Staff Pay Parity	19	19	0	0	0	0
Total Policy Changes	243	243	298	298	325	325
Total 2005-07 Biennium	1,441	1,441	1,496	1,496	1,523	1,523
Difference from 2003-05	335	335	390	390	417	417
% Change from 2003-05	30.3%	30.3%	35.3%	35.3%	37.7%	37.7%

Comments:

1. Legislative and Community Liaison - Additional funding is provided for a Legislative and Community Liaison position, as well as administrative support.

2. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

2005-07 Omnibus Operating Budget
Public Disclosure Commission
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	3,597	3,597	3,597	3,597	3,597	3,597
2005-07 Maintenance Level	3,898	3,898	3,898	3,898	3,898	3,898
Policy Changes:						
1. General Inflation	-9	-9	-9	-9	-9	-9
2. Contribution Limits (HB 1226)	0	0	0	0	122	122
Total Policy Changes	-9	-9	-9	-9	113	113
Total 2005-07 Biennium	3,889	3,889	3,889	3,889	4,011	4,011
Difference from 2003-05	292	292	292	292	414	414
% Change from 2003-05	8.1%	8.1%	8.1%	8.1%	11.5%	11.5%

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

2005-07 Omnibus Operating Budget
Office of the Secretary of State
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	41,693	108,813	41,693	108,813	41,693	108,813
2005-07 Maintenance Level	35,610	85,517	35,610	85,517	35,610	85,517
Policy Changes:						
1. Middle Management Reduction	-244	-479	-244	-479	-244	-479
2. General Inflation	-340	-441	-340	-441	-340	-441
3. Digital Archive Technology	0	1,343	0	1,343	0	1,343
4. Grants to Local Government Agencies	0	300	0	300	0	300
5. Security Microfilm Project - Local	0	740	0	740	0	740
6. Help America Vote Act-HAVA Funding	0	27,000	0	27,000	0	27,000
7. Digital Depository State Publica	0	0	0	0	358	358
8. Records Management Training	0	89	0	89	0	89
9. Archives Processing & Operations	0	1,012	0	1,012	0	1,012
10. Pass Through Adjustment for TVW	161	161	161	161	161	161
11. Eliminate Productivity Board	0	-702	0	0	0	0
12. State Library Grant	0	0	0	125	0	125
13. Primary Election Date	0	0	0	0	0	505
14. County Election Reviews	369	369	369	369	369	369
Total Policy Changes	-54	29,392	-54	30,219	304	31,082
Total 2005-07 Biennium	35,556	114,909	35,556	115,736	35,914	116,599
Difference from 2003-05	-6,137	6,096	-6,137	6,923	-5,779	7,786
% Change from 2003-05	-14.7%	5.6%	-14.7%	6.4%	-13.9%	7.2%

Comments:

1. Middle Management Reduction - Middle management positions are reduced.

2. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

2005-07 Omnibus Operating Budget Office of the Secretary of State

April 23, 2005
12:57 pm

3. Digital Archive Technology - The Digital Archives was designed with scalable enterprise architecture, capable of being expanded based upon the number of local governments and state agencies connected to its infrastructure. In the 2005-07 Biennium, additional hardware, software, maintenance agreements, and content management purchased services will be procured so that more local government and state agency digital documents may be stored by the Digital Archives. (Archives and Records Management Account-Appropriated, Local Government Archives Account-Appropriated)

4. Grants to Local Government Agencies - The State Archivist, in partnership with the Archives Oversight Committee, administers the Local Government Grant program that provides \$200,000 dollars in funding for local government records management programs and projects. In 2005-07, this funding will be increased to \$500,000. The added \$300,000 in funding will allow an additional 25 local grant projects, for a total of 47 projects. Enhancing the grants program will allow additional local agencies to implement effective records management programs, records inventory and retention scheduling projects, essential records protection plans, disaster preparedness plans, records technology upgrade plans, and to replace or recover damaged records, making public records readily available. (Local Government Archives Account-Appropriated)

5. Security Microfilm Project - Local - During the 2005-07 Biennium, the next phase of the local government security microfilm project will occur. This phase includes inspection, data entry of inspection results, reparation of silver duplicate microfilm, and ongoing funding for copying and brown-toning of incoming film. (Local Government Archives Account-Appropriated)

6. Help America Vote Act-HAVA Funding - The Secretary of State has received \$47 million in federal Help America Vote Act (HAVA) funds to spend in the 2005-07 Biennium (\$20 million dollars carried forward from the 2003-05 Biennium and \$27 million dollars in new federal funds). The \$27 million dollars in new Title II HAVA federal funds are added to assist the state and counties in complying with HAVA requirements. The state has already received \$13 million in Title I funds to replace punchcard voting machines and the development of a statewide voter registration database. The spending plan includes the following activities: developing a local government grant program, completing the development of a statewide voter registration database, implementing and maintaining this new database, and certifying electronic voting equipment. (Elections Account-Federal)

8. Records Management Training - The State Archivist is statutorily required to provide assistance and training to state and local government agencies on a variety of records management topics. These include basic records management, disaster preparedness and recovery, essential records protection, conservation and preservation, microfilming and imaging standards, electronic records management, and state archives' services. A local government records management trainer will be hired to identify and prioritize needed training; develop new curricula, training plans, and web based training modules; conduct training; and monitor progress toward meeting local government and Archives/Records Management Division goals. (Local Government Archives Account)

9. Archives Processing & Operations - Beginning in the 2005-07 Biennium and continuing for the next several biennia, the State Archives and the five regional archives will undertake a project to repackage and reorganize a significant portion of their current archival collections to ensure the collections' long-term preservation. The collections will also be reorganized for enhanced use by citizens and researchers. Six staff will be added - one at the State Archives and one at each of the five regional archives to conduct the reorganization and description of 13,500 cubic feet of collections in order to make them available for researchers. Temporary project staff will process collections that require repackaging. (Archives and Records Management Account, Local Government Archives Account).

10. Pass Through Adjustment for TVW - The funding level for Public Affairs Broadcasting is adjusted to reflect changes in the implicit price deflator.

**2005-07 Omnibus Operating Budget
Office of the Secretary of State**

April 23, 2005
12:57 pm

12. State Library Grant - The Bill & Melinda Gates Foundation Grant is provided to support public access computing sustainability efforts in public libraries. (General Fund-Local)

14. County Election Reviews - Funding is provided for the Secretary of State to increase the frequency of review of county election reviews, as provided in Senate Bill 5499 and House Bill 1749.

2005-07 Omnibus Operating Budget
Governor's Office of Indian Affairs
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	475	475	475	475	475	475
2005-07 Maintenance Level	483	483	483	483	483	483
Policy Changes:						
1. Office Relocation	54	54	54	54	54	54
2. Address Disparity Issues	0	0	0	0	158	158
3. General Inflation	-2	-2	-2	-2	-2	-2
4. Workload Adjustment	22	22	22	22	0	0
Total Policy Changes	74	74	74	74	210	210
Total 2005-07 Biennium	557	557	557	557	693	693
Difference from 2003-05	82	82	82	82	218	218
% Change from 2003-05	17.3%	17.3%	17.3%	17.3%	45.9%	45.9%

Comments:

1. Office Relocation - Funding is provided for the Governor's Office of Indian Affairs to relocate to the Department of General Administration (GA) building. The relocation includes access to GA support services, including the motor pool, conference room facilities, and information technology support.

3. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

4. Workload Adjustment - The Governor's Office of Indian Affairs is experiencing increased demand from the public to serve as a liaison between tribal communities and agencies within state government. Funding is appropriated to increase their deputy director position to full-time and provide additional travel funding for GOIA to meet these needs.

2005-07 Omnibus Operating Budget
Comm on Asian-Pacific-American Affairs
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	393	393	393	393	393	393
2005-07 Maintenance Level	452	452	452	452	452	452
Policy Changes:						
1. General Inflation	-2	-2	-2	-2	-2	-2
2. Address Disparity Issues	0	0	0	0	141	141
3. Workload Adjustment	17	17	17	17	0	0
Total Policy Changes	15	15	15	15	139	139
Total 2005-07 Biennium	467	467	467	467	591	591
Difference from 2003-05	74	74	74	74	198	198
% Change from 2003-05	18.8%	18.8%	18.8%	18.8%	50.4%	50.4%

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

3. Workload Adjustment - The Commission on Asian-Pacific-American Affairs is experiencing increased demand from the public to serve as a liaison between Asian-Pacific-Americans in Washington State and agencies within state government. Funding is appropriated to increase the executive assistant position to full-time and provide additional funding for the Commission to meet these needs.

2005-07 Omnibus Operating Budget
Office of the State Treasurer
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	0	13,564	0	13,564	0	13,564
2005-07 Maintenance Level	0	13,809	0	13,809	0	13,809
Policy Changes:						
1. Middle Management Reduction	0	-112	0	-112	0	-112
2. General Inflation	0	-31	0	-31	0	-31
Total Policy Changes	0	-143	0	-143	0	-143
Total 2005-07 Biennium	0	13,666	0	13,666	0	13,666
Difference from 2003-05	0	102	0	102	0	102
% Change from 2003-05	0.0%	0.8%	0.0%	0.8%	0.0%	0.8%

Comments:

1. Middle Management Reduction - Middle management positions are reduced.

2. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

2005-07 Omnibus Operating Budget
Office of the State Auditor
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	1,522	45,572	1,522	45,572	1,522	45,572
2005-07 Maintenance Level	1,472	46,530	1,472	47,005	1,472	47,005
Policy Changes:						
1. Middle Management Reduction	-12	-335	-12	-335	-12	-335
2. General Inflation	-2	-86	-2	-86	-2	-86
3. Government Performance (HB 1064)	0	0	2,825	2,827	3,504	3,506
4. Special Education Study	0	0	16	16	16	16
Total Policy Changes	-14	-421	2,827	2,422	3,506	3,101
Total 2005-07 Biennium	1,458	46,109	4,299	49,427	4,978	50,106
Difference from 2003-05	-64	537	2,777	3,855	3,456	4,534
% Change from 2003-05	-4.2%	1.2%	182.5%	8.5%	227.1%	9.9%

Comments:

- 1. Middle Management Reduction** - Middle management positions are reduced.
- 2. General Inflation** - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.
- 3. Government Performance (HB 1064)** - Funding is provided for the implementation of Engrossed Substitute House Bill 1064 (government performance). If the legislation is not enacted by June 30, 2005, the funding lapses.
- 4. Special Education Study** - In conjunction with the Joint Legislative Audit and Review Committee (JLARC), the State Auditor's Office will review special education excess cost accounting methodology and expenditure reporting requirements. The review will include an examination of whether school districts are appropriately implementing the excess cost accounting methodology; consistently charging special education expenses to the special education and basic education programs; appropriately determining the percentage of expenditures that should be charged to the special education and basic education programs; and appropriately and consistently reporting special education expenditures. The results of this review will be included in JLARC's report issued in January 2006.

2005-07 Omnibus Operating Budget
Commission on Salaries for Elected Officials
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	307	307	307	307	307	307
2005-07 Maintenance Level	335	335	335	335	335	335
Total 2005-07 Biennium	335	335	335	335	335	335
Difference from 2003-05	28	28	28	28	28	28
% Change from 2003-05	9.1%	9.1%	9.1%	9.1%	9.1%	9.1%

Comments:

2005-07 Omnibus Operating Budget
Office of the Attorney General
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	10,611	185,761	10,611	185,761	10,611	185,761
2005-07 Maintenance Level	10,844	194,123	10,844	194,123	10,844	194,123
Policy Changes:						
1. Palermo Well Field	0	500	0	100	0	100
2. Fulfill Forest and Fish Commitments	0	204	0	204	0	204
3. Livestock Nutrient Program	0	100	0	100	0	100
4. Modernize Water Resource Management	0	180	0	180	0	0
5. Implementation of Initiative 297	0	1,008	0	1,008	0	1,008
6. Middle Management Reduction	-40	-524	-40	-524	-40	-524
7. Office Relocation in Seattle	126	842	126	842	126	842
8. Estate Recoveries	0	600	0	600	0	600
9. General Inflation	-33	-675	-33	-675	-33	-675
10. SHS Litigation Costs	0	1,950	0	1,950	0	1,950
11. Property and Estate Taxes	0	391	0	391	0	391
12. Public Counsel Legal Services	0	80	0	80	0	80
13. Office Consolidation in Tumwater	0	1,418	0	1,418	0	1,418
14. Executive Ethics Board	0	203	0	203	0	203
15. Refund Anticipation Loan (HB 1251)	0	0	0	0	0	178
16. Consumer Protection Expansion	1,566	1,566	1,566	1,566	1,566	1,566
17. OSPI Special Ed Lawsuit	0	0	0	100	0	0
Total Policy Changes	1,619	7,843	1,619	7,543	1,619	7,441
Total 2005-07 Biennium	12,463	201,966	12,463	201,666	12,463	201,564
Difference from 2003-05	1,852	16,205	1,852	15,905	1,852	15,803
% Change from 2003-05	17.5%	8.7%	17.5%	8.6%	17.5%	8.5%

Comments:

1. Palermo Well Field - Funding is provided for legal and technical services in preparation of legal actions by the Environmental Protection Agency involving the Department of Transportation's share of costs to mitigate and clean up solvents that leached into the city of Tumwater water supply at the Palermo well field. (Legal Services Revolving Account)

2005-07 Omnibus Operating Budget Office of the Attorney General

2. Fulfill Forest and Fish Commitments - In 1999, the Legislature adopted the Forests and Fish Report, a science-based plan for protecting water quality and fish habitat in non-federal forestland in Washington State. Since that time, the Department of Natural Resources (DNR) has been developing a habitat conservation plan (HCP) in order to obtain federal assurances under the Endangered Species Act (ESA) that the state's regulatory approach to forest practices meets all ESA and Clean Water Act requirements. Without such assurances, individual landowners would need to work with federal agencies on a case-by-case basis to ensure compliance. In addition to other DNR activities, legal resources will be dedicated to overseeing implementation of the HCP and defending it against anticipated legal challenges. (Legal Services Revolving Account)

3. Livestock Nutrient Program - Legislation enacted in 2003 transferred the state's livestock nutrient management program from the Department of Ecology to the Department of Agriculture. Attorney General costs have been higher than anticipated at the time of the transfer. Funding is provided to cover these additional legal costs. (Legal Services Revolving Account)

4. Modernize Water Resource Management - Effective water resources management requires compliance with laws and efficient use of water to stretch existing water supplies. The Department of Ecology lacks sufficient capacity in these areas to effectively implement emerging local watershed planning recommendations and requests. Four water masters will work towards compliance in high priority watersheds as requested by planning units, and two metering staff will work towards compliance with a recent court decision that requires the agency to enforce existing water metering laws. (Legal Services Revolving Account)

5. Implementation of Initiative 297 - The Cleanup Priority Act (Initiative 297) was passed by the voters in November 2004. This act impacts waste disposal and cleanup efforts at the Hanford Nuclear Reservation. It requires the Department of Ecology to order cessation of radioactive waste disposal in unlined trenches; implement additional permitting requirements; establish enhanced public participation; and adopt additional cleanup standards for radioactive waste. Legal counsel is necessary to perform these actions and prepare for potential litigation. (Legal Services Revolving Account)

6. Middle Management Reduction - Middle management positions are reduced.

7. Office Relocation in Seattle - One-time relocation costs are funded for the April 2006 relocation of the Seattle office of the Attorney General's Office. These one-time costs will be offset by lease savings of \$3.9 million in the 2007-'09 biennium and additional savings in subsequent biennia.

8. Estate Recoveries - The Department of Social and Health Services will increase efforts to recover the cost of publicly-funded care from the estates of deceased Medicaid recipients. Specific changes anticipated include earlier initiation of probate proceedings, improved notification of a client's death, and the statutory authority to place liens on the property of clients whose condition is such that discharge is not likely. Additional legal services are provided to support these efforts. (Legal Services Revolving Fund)

9. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

10. SHS Litigation Costs - The Department of Social and Health Services (DSHS) is experiencing increased costs of litigation support for complex, protracted program litigation, including expert witnesses, document management services, and special assistant attorneys general contracts. (Legal Services Revolving Account)

**2005-07 Omnibus Operating Budget
Office of the Attorney General**

11. Property and Estate Taxes - Two utility companies have filed lawsuits challenging the state's property tax valuation procedures. Also, the decoupling of the state's estate tax from the federal estate tax is resulting in numerous disputes regarding state estate tax liability and valuations. These major legal challenges to the Department of Revenue's collections require the provision of additional legal services to protect state revenues. (Legal Services Revolving Account)

12. Public Counsel Legal Services - Involvement by the Public Counsel in regulated utility matters before the Washington State Utilities and Transportation Commission will be enhanced by an additional capability for analysis and the testimony of expert witnesses. (Legal Services Revolving Account)

13. Office Consolidation in Tumwater - Offices in four different locations in Olympia and Lacey will consolidate into one location in Tumwater. Two of the old buildings currently used would require major repairs, and lease costs in the new building are estimated to be less than in the old buildings. The offices will move in two phases, in December 2005 and December 2006. Tenant improvements and moving expenses are one-time costs. (Legal Services Revolving Account)

14. Executive Ethics Board - Additional staff are added to the Executive Ethics Board to eliminate the current backlog and to respond to the increasing numbers of complaints and investigations. (Legal Services Revolving Account)

16. Consumer Protection Expansion - Additional funding is provided to the Consumer Protection Division for consumer education and outreach, complaint resolution and mediation, and litigation. Funding is included for the implementation of Engrossed Substitute House Bill No. 1012 (computer spyware).

17. OSPI Special Ed Lawsuit - Eleven school districts have filed a lawsuit in Thurston County Superior Court claiming that the state has underfunded special education based on an unconstitutional funding system. This lawsuit will require additional services from the Attorney General's Office, the costs of which will be billed to the Office of the Superintendent of Public Instruction. (Legal Services Revolving Account)

2005-07 Omnibus Operating Budget
Caseload Forecast Council
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	1,350	1,350	1,350	1,350	1,350	1,350
2005-07 Maintenance Level	1,392	1,392	1,392	1,392	1,392	1,392
Policy Changes:						
1. General Inflation	-2	-2	-2	-2	-2	-2
2. IT Upgrade	17	17	17	17	17	17
Total Policy Changes	15	15	15	15	15	15
Total 2005-07 Biennium	1,407	1,407	1,407	1,407	1,407	1,407
Difference from 2003-05	57	57	57	57	57	57
% Change from 2003-05	4.2%	4.2%	4.2%	4.2%	4.2%	4.2%

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

2. IT Upgrade - Funding is provided for the council to purchase six replacement computers in order to provide the council with current, reliable technology and ensure warranty coverage.

2005-07 Omnibus Operating Budget
Department of Financial Institutions
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	0	28,422	0	28,422	0	28,422
2005-07 Maintenance Level	0	30,858	0	30,858	0	30,858
Policy Changes:						
1. Middle Management Reduction	0	-167	0	-167	0	-167
2. General Inflation	0	-84	0	-84	0	-84
3. Small Loans (HB 2019)	0	0	0	0	0	316
4. Refund Anticipation Loans (HB 1251)	0	0	0	0	0	702
5. Financial & Acct. Fraud, Securities	0	677	0	677	0	677
6. Exam Enhancement, Banks	0	417	0	417	0	417
7. Exam Enhancement, Credit Unions	0	217	0	217	0	217
8. Exam Enhancement, Consumer Services	0	1,861	0	1,861	0	1,861
9. Information Technology Package	0	1,661	0	1,661	0	1,661
10. Communication, Outreach & Education	0	360	0	235	0	235
11. Licensing, Consumer Services	0	259	0	259	0	259
12. Enforcement, Consumer Services	0	703	0	703	0	703
13. Refund Anticipation Loans (SB 5692)	0	0	0	13	0	0
Total Policy Changes	0	5,904	0	5,792	0	6,797
Total 2005-07 Biennium	0	36,762	0	36,650	0	37,655
Difference from 2003-05	0	8,340	0	8,228	0	9,233
% Change from 2003-05	0.0%	29.3%	0.0%	28.9%	0.0%	32.5%

Comments:

1. Middle Management Reduction - Middle management positions are reduced.

2. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

5. Financial & Acct. Fraud, Securities - Funding is included for the department to hire a financial legal examiner and two financial examiners, at midrange on their respective salary steps, to investigate companies using fraudulent corporate and financial accounting techniques in connection with an offering of securities or in communications with investors or financial markets.

2005-07 Omnibus Operating Budget

Department of Financial Institutions

6. Exam Enhancement, Banks - Funding is included for the Division of Banks to hire three financial examiner assistants, at midrange on the salary step, to examine state chartered financial institutions for safety and soundness purposes and supervise and examine state chartered institutions identified by federal regulators as having less than satisfactory Community Reinvestment Act or consumer compliance ratings, or having other identified issues.

7. Exam Enhancement, Credit Unions - Funding is included for an additional financial examiner, at midrange on the salary step, in the Credit Union Division to meet increased workload demands in the area of credit union compliance with federally-mandated consumer protection laws, including anti-terrorism laws.

8. Exam Enhancement, Consumer Services - Funding is included for the Division of Consumer Services to enter into personal service contracts in the 2005-2007 Biennium. These personal service contracts will provide examinations of the following: consumer loan companies, mortgage brokers, check cashiers and sellers (payday lenders), and money transmitters and currency exchangers. The contracts will also include external auditors of predatory practices and emerging issues such as stored value electronic payment systems and Internet-based financial transactions.

9. Information Technology Package - Funding is included for the Department of Financial Institutions (DFI) to develop an integrated regulatory database system. DFI will expand imaging to new areas of the agency, support document retention, and workflow management. Examination and enforcement activities will be improved by developing or purchasing tools that will scan, read, and store information from bank statements, manage investigative cases, collect and manipulate financial information, and improve the capacity to perform computer forensics on confiscated computers.

10. Communication, Outreach & Education - Funding is included for the Department of Financial Institutions to hire a communications director, at midrange on the salary step, to improve the department's consumer outreach, education, and communications functions.

11. Licensing, Consumer Services - Funding is included for the Division of Consumer Services to hire a customer service representative and a financial examiner, at midrange on their respective salary steps, to reduce license application review turn-around times and improve the quality of license application reviews.

12. Enforcement, Consumer Services - Funding is included for the Division of Consumer Services to hire a financial examiner and 2.5 financial legal examiners, at midrange on their respective salary steps, to enforce state financial regulation and consumer protection laws regarding sub-prime lending by consumer loan companies, mortgage brokers, and payday lenders, and money laundering and criminal activity by money transmitters and currency exchangers.

13. Refund Anticipation Loans (SB 5692) - Funding is included for the department to implement Senate Bill No. 5692 (Refund Anticipation Loans).

2005-07 Omnibus Operating Budget
Dept of Community, Trade, & Economic Development
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	147,717	434,210	147,717	434,210	147,717	434,210
2005-07 Maintenance Level	147,030	435,373	147,030	435,373	147,030	435,373
Policy Changes:						
1. 7E7 Project Coordination Office	-396	-396	-396	-396	-396	-396
2. 2010 Olympics	0	300	0	300	0	300
3. Byrne Grant Reduction	0	-8,614	0	-8,614	0	-8,614
4. Middle Management Reduction	-409	-605	-409	-605	-409	-605
5. Housing Program Administration	0	900	0	900	0	900
6. Expand Civil Legal Indigent Service	0	3,000	0	0	0	0
7. Cost Allocation Fund Adjustment	-14	-58	-14	-58	-14	-58
8. General Inflation	-140	-275	-140	-275	-140	-275
9. Transfers	0	14,642	0	14,642	0	14,642
10. America's Freedom Salute	0	0	50	50	50	50
11. Court-Appointed Special Advocate	0	0	0	0	140	140
12. Cascade Dialogue	0	0	150	150	150	150
13. Methamphetamine Initiative	0	0	1,000	1,000	1,000	1,000
14. Homeless Housing Program (HB 2163)	0	0	0	10,350	0	10,350
15. Mobile Home Ombudsman (HB 1640)	0	0	0	469	106	367
16. Safe Neighborhoods	0	0	50	50	50	50
17. Individual Developmt Acct (HB 1408)	0	0	0	1,021	0	1,021
18. Lead Based Paint	0	0	20	20	20	20
19. Housing Assist Admin Cap Increase #	0	1,288	0	1,288	0	1,288
20. Homeless Data Management	0	1,270	0	1,270	0	1,270
21. Emergency Food Assistance Program	1,250	1,250	1,450	1,450	1,450	1,450
22. Community Mobilization	1,154	1,154	1,154	1,154	1,154	1,154
23. Small Communities Initiative	0	236	0	235	235	235
24. Infrastructure Data System	0	300	0	400	0	400
25. EFSEC CO2 Rulemaking	0	0	0	0	150	150
26. NW Food Processors Assoc	51	51	50	50	0	0
27. Long Term Care Ombudsman	108	108	108	108	0	0
28. Increase ECEAP Placements	5,232	5,232	2,994	2,994	2,994	2,994
29. Targeted Vendor Rate Increase	955	955	3,198	3,198	3,198	3,198
30. Create Archaeology Dept # SB 5056	-1,099	-2,559	-1,099	-2,559	0	0

2005-07 Omnibus Operating Budget
Dept of Community, Trade, & Economic Development
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
31. Center for Advanced Manufacturing	250	250	215	215	215	215
32. Archaeology Transfer Costs # SB5056	13	13	13	13	0	0
33. Community Services Block Grant	2,000	2,000	1,000	1,000	2,000	2,000
34. Job Development Fund Program (1903)	0	0	0	430	0	0
35. Domestic Violence	340	340	340	340	340	340
36. Economic Development Grant Prog #	250	250	0	0	0	0
37. History Link	150	150	150	150	0	0
38. Pierce County Alliance	0	1,000	0	0	0	0
39. Women's Hearth	50	50	50	50	0	0
40. Transfer Civil Legal Svcs (HB 1747)	0	0	-13,407	-13,407	-13,407	-13,407
41. Small Business Incubator	0	0	470	470	470	470
42. NW Farm Innovation Incubator	0	0	300	300	500	500
43. Food Processor Study	0	0	0	0	50	50
44. Center for Water & Environment	0	0	575	575	575	575
45. Pierce County Youth Assessment Ctr	0	0	150	150	150	150
Total Policy Changes	9,745	22,232	-1,978	18,878	631	22,074
Total 2005-07 Biennium	156,775	457,605	145,052	454,251	147,661	457,447
Difference from 2003-05	9,058	23,395	-2,665	20,041	-56	23,237
% Change from 2003-05	6.1%	5.4%	-1.8%	4.6%	0.0%	5.4%

Comments:

1. 7E7 Project Coordination Office - The 7E7 Project Office provides essential coordination services between state agencies, local jurisdictions, and private industry to promote economic development opportunities related to the Boeing 7E7. It is anticipated that all coordination issues will be resolved, and this office will close by June 30, 2006.

2. 2010 Olympics - Funding is provided for the Governor's 2010 Olympics Task Force to develop and implement a strategic plan that captures the economic opportunities for Washington's communities and industries. (Tourism Development and Promotion Account)

3. Byrne Grant Reduction - Congress has combined two federal grants focused on the prevention of violence and substance abuse, the Local Law Enforcement Block Grant and the Byrne Grant. Byrne grant funding is estimated to be reduced by approximately 40 percent. Remaining funds (approximately \$5.9 million per year) will be used for the highest priority programs that achieve the best results. (General Fund-Federal)

2005-07 Omnibus Operating Budget
Dept of Community, Trade, & Economic Development

April 23, 2005
12:57 pm

4. Middle Management Reduction - Statewide, the number of middle management positions will be reduced by 1,000 positions by the end of the biennium. The reductions are phased in over the entire two year period. Funds are reduced to reflect the portion of the reduction attributable to this agency.

5. Housing Program Administration - This appropriation is necessary for covering administrative costs for Housing Assistance. Other appropriations for this purpose are bond proceeds and, by statute, are not permitted to be used for administration. (Washington State Housing Assistance Account)

7. Cost Allocation Fund Adjustment - Funding is provided for the department's new cost allocation model, to be implemented on July 1, 2005. (General Fund-Federal, General Fund-Private/Local, and various other funds)

8. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

9. Transfers - The federal Victims of Crimes Act grant award is transferred from the Department of Social and Health Services to the Department of Community, Trade and Economic Development. The purpose of the transfer is to provide a more integrated and effective approach to developing services to crime victims through local governments and community-based programs. (General Fund-Federal)

10. America's Freedom Salute - One-time funding is provided solely for the support, including safety and security costs, of the America's Freedom Salute to be held in the Vancouver, Washington area.

12. Cascade Dialogue - One-time funding in the amount of \$150,000 is provided for fiscal year 2006 to the Cascade Land Conservancy to develop and implement a plan for regional conservation within King, Kittitas, Pierce, and Snohomish counties.

13. Methamphetamine Initiative - Funding is provided to Snohomish County for a law enforcement and treatment methamphetamine pilot program. Funds are also provided to Pierce County for the extension of treatment alternatives and targeting the identification, arrest, and prosecution of perpetrators of methamphetamine-related crimes.

14. Homeless Housing Program (HB 2163) - Funding is provided for the implementation of Engrossed Second Substitute House Bill No. 2163 (Homeless Housing Program). If legislation is not enacted by June 30, 2005, the funding lapses. (Homeless Housing Account)

15. Mobile Home Ombudsman (HB 1640) - Funding is provided for the implementation of Engrossed Substitute House Bill No. 1640 (Landlord and Tenant Disputes). If legislation is not enacted by June 30, 2005, the funding lapses. (Mobile Home Investigations Account)

16. Safe Neighborhoods - Funding is provided for one pilot project to promote the study and implementation of safe neighborhoods through community planning.

17. Individual Developmt Acct (HB 1408) - Funding is provided from the General Fund to the Individual Development Account for the implementation of Substitute House Bill No. 1408 (Individual Development Account). If legislation is not enacted by June 30, 2005, the funding lapses. (Individual Development Account)

2005-07 Omnibus Operating Budget
Dept of Community, Trade, & Economic Development

18. Lead Based Paint - Funding is provided for the department to compile a report on housing stock in Washington state to identify areas of potentially high risk for child lead exposure. This report shall include an analysis of existing data regarding the ages of housing stock in specific regions, as well as an analysis of data regarding actual lead poisoning cases, which shall be provided by the Department of Health Childhood Lead Poisoning Surveillance program.

19. Housing Assist Admin Cap Increase # - Funding is provided for the implementation of Engrossed House Bill No. 1074 (Admin Cap the Housing Assistance Program and the Affordable Housing Program). If legislation is not enacted by June 30, 2005, the funding lapses. (Washington Housing Trust Account)

20. Homeless Data Management - Funding is provided for the Department of Community, Trade, and Economic Development administer a statewide Homeless Management Information System (HMIS) to track individual homeless clients. (General Fund-Private/Local)

21. Emergency Food Assistance Program - Funding is provided for food banks to obtain and distribute additional nutritious food; purchase equipment to transport and store perishable products; and collaborate with other agencies and experts on nutrition and obesity for services at food banks and tribal voucher programs.

22. Community Mobilization - The Community Mobilization program provides grants to community organizations that implement prevention programs that reduce substance abuse and violence. Additional dollars will increase the number of programs that deliver the most effective strategies. Funds are prioritized to programs that have demonstrated the capability to implement these prevention strategies based on the quality of program evaluations and attaining performance measures. The department also will provide four state-wide trainings on community organizing and offer follow-up technical assistance to increase community capacity to reduce crime through community activities such as block-by-block organizing and enforcement of code ordinances, making the community uninviting to drug trafficking, drug manufacturing, and drug use. (Violence Reduction and Drug Enforcement Account-State)

23. Small Communities Initiative - The Small Communities Initiative is a collaboration between the departments of Health, Ecology, and Community, Trade, and Economic Development that provides intensive technical assistance to very small, rural communities struggling with economic viability and compliance with health and environmental regulations due to failing water or wastewater systems. Over 50 rural communities have chronic water regulation compliance issues. Funding is provided for one additional staff person to work with communities in need of this assistance.

24. Infrastructure Data System - The Public Works program maintains data management systems that support infrastructure projects throughout the state. Funding is provided to update the contracts management system, implement the local government infrastructure data system in partnership with the Transportation Improvement Board, and develop an archaeological predictive model that uses geographic information systems data to predict the probability of finding archaeologically significant features in areas being considered for infrastructure projects. (Public Works Assistance Account)

26. NW Food Processors Assoc - One-time funding is provided for the Northwest Food Processors Association on the Food Processing Cluster Development Project.

27. Long Term Care Ombudsman - Funding is provided to the Long Term Care Ombudsman program to ensure the safety and quality of care of long-term care facility residents.

28. Increase ECEAP Placements - Funding is provided to serve an additional 282 children in Early Childhood Education and Assistance Program (ECEAP).

2005-07 Omnibus Operating Budget
Dept of Community, Trade, & Economic Development

- 29. Targeted Vendor Rate Increase** - Funding is provided for an inflationary vendor rate increase of 4.0 percent on July 1, 2005, and 4.0 percent on July 1, 2006.
- 30. Create Archaeology Dept # SB 5056** - Effective July 1, 2005, the Office of Archaeology and Historic Preservation (OAHP) is established as a separate agency of state government, pursuant to Second Substitute Senate Bill No. 5056 (Create Archaeology Department). (General Fund-State, General Fund-Federal, General Fund-Local)
- 31. Center for Advanced Manufacturing** - One-time matching funds for a federal Economic Development Administration grant awarded to the city of Kent to conduct a feasibility study and economic analysis for the establishment of a Center for Advanced Manufacturing.
- 32. Archaeology Transfer Costs # SB5056** - One-time funding is provided to the department for costs associated with the transfer of the Department of Archaeology and Historic Preservation, pursuant to Second Substitute Senate Bill 5056.
- 33. Community Services Block Grant** - Funding is provided to assist community action agencies, in recognition of reduced federal grant funding.
- 34. Job Development Fund Program (1903)** - Engrossed Substitute House Bill No. 1903 (Job development fund) creates the job development fund program in the Community Economic Revitalization Board to provide loans and grants for public infrastructure projects. Funding is provided for CERB to administer this new program. If legislation is not enacted by June 30, 2005, the funding lapses. (Public Works Assistance Account)
- 35. Domestic Violence** - Funding is provided to continue domestic violence legal advocacy services, in recognition of reduced federal grant funding.
- 37. History Link** - One-time funding is provided for HistoryLink to expand its free, non-commercial online encyclopedia service on state and local history.
- 39. Women's Hearth** - One-time funding is provided to Women's Hearth, a nonprofit program serving the Spokane area's homeless and low-income women.
- 40. Transfer Civil Legal Svcs (HB 1747)** - A reduction of funding reflects the implementation of Substitute House Bill No. 1747 (Indigent Persons/Legal Aid). If legislation is not enacted by June 30, 2005, the funding remains with the Department of Trade and Economic Development. The funding for civil legal aid is transferred to the newly created Office of Civil Legal Aid. (General Fund; Public Safety and Education Account; Violence Reduction and Drug Enforcement)
- 41. Small Business Incubator** - Funding is provided for implementation the small business incubator program.
- 42. NW Farm Innovation Incubator** - Funding is provided solely for the Northwest Agriculture Incubator project, which will support small farms in economic development.
- 44. Center for Water & Environment** - Funding is provided to Walla Walla Community College to establish the Water and Environmental Studies Center (Center). The Center will provide workforce education and training, encourage innovative approaches and practices that address environmental and cultural issues, and facilitate the Walla Walla Watershed Alliance role in promoting communication leading to cooperative conservation efforts that effectively address urban and rural water and environmental issues.

2005-07 Omnibus Operating Budget
Dept of Community, Trade, & Economic Development

45. Pierce County Youth Assessment Ctr - A final appropriation is provided for the Youth Assessment Center in Pierce County for activities dedicated to reducing the rate of incarceration of juvenile offenders.

2005-07 Omnibus Operating Budget
Economic & Revenue Forecast Council
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	1,044	1,044	1,044	1,044	1,044	1,044
2005-07 Maintenance Level	1,073	1,073	1,073	1,073	1,073	1,073
Policy Changes:						
1. General Inflation	-2	-2	-2	-2	-2	-2
Total Policy Changes	-2	-2	-2	-2	-2	-2
Total 2005-07 Biennium	1,071	1,071	1,071	1,071	1,071	1,071
Difference from 2003-05	27	27	27	27	27	27
% Change from 2003-05	2.6%	2.6%	2.6%	2.6%	2.6%	2.6%

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

2005-07 Omnibus Operating Budget
Office of Financial Management
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	25,970	110,800	25,970	110,800	25,970	110,800
2005-07 Maintenance Level	28,879	96,866	28,879	96,866	28,879	96,866
Policy Changes:						
1. Long Term Care Financing Task Frc#	290	290	0	0	0	0
2. Hi Ed Facilities Preservation Study	166	166	166	166	166	166
3. ORM Risk Management	0	140	0	140	0	160
4. ORM Enterprise Risk Management	0	500	0	0	0	0
5. ORM Content Management System	0	1,200	0	1,200	0	1,450
6. Statewide Financial System	0	2,045	0	2,045	0	2,045
7. Home Care Worker Contract	66	66	66	66	66	66
8. Middle Management Reduction	-76	-253	-76	-253	-76	-253
9. Education Finance Study #	1,741	1,741	1,747	1,747	1,747	1,747
10. Infrastructure Review	0	200	0	200	0	200
11. GMAP	558	558	558	558	558	558
12. Residential Srvs - Develop Disabled	182	182	182	182	182	182
13. General Inflation	-84	-123	-84	-123	-84	-123
14. Permit Assistance	0	0	200	200	200	200
15. Performance Measures (HB 1834)	0	0	0	0	173	173
16. State Contract & Procuremt (HB2257)	0	0	0	0	239	239
17. Medical Assistance Forecast	322	322	322	322	322	322
18. State Budget Process (HB 1242)	0	0	400	400	500	500
Total Policy Changes	3,165	7,034	3,481	6,850	3,993	7,632
Total 2005-07 Biennium	32,044	103,900	32,360	103,716	32,872	104,498
Difference from 2003-05	6,074	-6,900	6,390	-7,084	6,902	-6,302
% Change from 2003-05	23.4%	-6.2%	24.6%	-6.4%	26.6%	-5.7%

Comments:

2. Hi Ed Facilities Preservation Study - The 2004 Supplemental Capital budget provided funding for a capital budget analyst in the Office of Financial Management (Section 207, Chapter 277, laws of 2004). Funding is provided to continue this position.

2005-07 Omnibus Operating Budget Office of Financial Management

April 23, 2005
12:57 pm

3. ORM Risk Management - The Office of Risk Management (ORM) will hire one paraprofessional to support the loss prevention review team program. This will increase completed reviews to twelve each year and provide more detailed benchmarking and loss prevention analysis to agencies, based on agency-reported incident data. (Risk Management Administration Account)

5. ORM Content Management System - The Office of Risk Management will implement a system to improve the efficiency of claims-related processes so that less time is spent capturing, creating, aggregating, locating, and disseminating needed information. (Risk Management Administration Account)

6. Statewide Financial System - The Statewide Financial Systems office plans to design and release enhancements in the following systems: Budget and Allotment Support System, FastTrack Report System, Travel Voucher System, and the Disbursement Reporting System. These enhancements are necessary to ensure alignment with other systems, like the new Human Resource Management System, to enable capacity for new methods such as the Priorities of Government view of the budget and to provide tools that customers want, such as the capacity in the travel system for travel advances. (Data Processing Revolving Account)

7. Home Care Worker Contract - Pursuant to RCW 74.39A.270, a statewide unit of individual providers of home care services may bargain collectively over wages and benefits with the Governor or Governor's designee acting as the public employer of individual providers solely for the purpose of collective bargaining. According to RCW 74.39A.300, a request for funds necessary to implement the compensation and fringe benefits provisions of a collective bargaining agreement must be submitted to the director of the Office of Financial Management by October 1 prior to the legislative session at which the request is to be considered. The Governor must include the costs to meet the agreement terms and the cost of implementation of the agreement in the Governor's budget. This year, an impasse in negotiations led to an interest arbitration proceeding. Funding is needed based on the interest arbitration award. This includes funding for the Office of Financial Management, the Home Care Quality Authority, and the Department of Social and Health Services (DSHS). OFM funds will be matched through an interagency agreement with DSHS.

8. Middle Management Reduction - Middle management positions are reduced.

9. Education Finance Study # - Funding is provided for SSB 5441 (education finance study) which provides for comprehensive finance studies on early learning, K-12, and higher education. The legislation establishes a steering committee that will direct and coordinate the studies and develop recommendations. The steering committee is required to provide interim reports to the appropriate policy and fiscal committees of the Legislature by November 15, 2005 and June 16, 2006. The final report and recommendations of the steering committee shall be submitted by November 15, 2006.

10. Infrastructure Review - One-time funding is provided to review statewide programs that support infrastructure in local jurisdictions and seek potential collaboration, efficiencies, and long-term funding solutions to meet the goals of job creation, public health, environmental protection, and community development. The study shall also inventory all state revolving loan funds for local jurisdictions, other than the Housing Trust Fund. The inventory shall describe each program's administrating agency, objectives, annual loan amounts, outstanding loans, repayments, and interest rates. (Public Works Assistance Account)

11. GMAP - The Governor will implement the Government Management and Accountability Program (GMAP) under Second Substitute House Bill 1970. The Office of the Governor and the Office of Financial Management will provide guidance to agencies, oversight of the process, and will review performance of all agencies.

**2005-07 Omnibus Operating Budget
Office of Financial Management**

April 23, 2005
12:57 pm

12. Residential Srvs - Develop Disabled - Funding is provided to study residential services for developmentally disabled persons. A commission of 13 members will oversee the study. The commission will provide a report of its study to the Legislature by January 2006. The Office of Financial Management will enter into an interagency agreement with the Department of Social and Health Services to access matching federal funds for the study.

13. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

14. Permit Assistance - One-time funding is provided for the Office of Regulatory Assistance for an enhanced planning and permit pilot program involving two local planning and permit offices.

17. Medical Assistance Forecast - Funding is provided to increase the quality, accuracy, and timeliness of Medical Assistance budget forecasting and monitoring. The forecast, which involves approximately \$3.8 billion of state and federal expenditures per year, will be produced by the DSHS Medical Assistance Administration with assistance and guidance from a technical workgroup chaired by the Office of Financial Management with participation from legislative fiscal committee and DSHS staff. Federal matching funds for this expenditure is provided in the DSHS Medical Assistance Administration budget.

18. State Budget Process (HB 1242) - Funding is provided for the implementation of Engrossed Substitute House Bill No. 1242 (state budget process). If the legislation is not enacted by June 30, 2005, the funding lapses.

2005-07 Omnibus Operating Budget
Office of Administrative Hearings
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	0	27,242	0	27,242	0	27,242
2005-07 Maintenance Level	0	28,457	0	28,457	0	28,457
Policy Changes:						
1. Middle Management Reduction	0	-34	0	-34	0	-34
2. General Inflation	0	-110	0	-110	0	-110
3. Maintain ALJ/IAJ Salary Alignment	0	0	0	350	0	350
4. Convert To Digital Recording	0	0	0	103	0	103
5. Replace Computers	0	154	0	154	0	154
Total Policy Changes	0	10	0	463	0	463
Total 2005-07 Biennium	0	28,467	0	28,920	0	28,920
Difference from 2003-05	0	1,225	0	1,678	0	1,678
% Change from 2003-05	0.0%	4.5%	0.0%	6.2%	0.0%	6.2%

Comments:

1. Middle Management Reduction - Statewide, the number of middle management positions will be reduced by 1,000 positions by the end of the biennium. The reductions are phased in over the entire two year period. Funds are reduced to reflect the portion of the reduction attributable to this agency. (Administrative Hearings Revolving Account-State)

2. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (Administrative Hearings Revolving Account-State)

3. Maintain ALJ/IAJ Salary Alignment - Administrative Law Judges' salaries are increased by 2.5 percent to maintain alignment with those of Industrial Appeals Judges. (Administrative Hearings Revolving Account-State)

4. Convert To Digital Recording - Hearings recordings are converted from cassette tape to digital recording. (Administrative Hearings Revolving Account-State)

5. Replace Computers - Funding is provided to replace 65 computers used for the Employment Security Department caseload. The new computers will enable the Office of Administrative Hearings to participate in the Department of Information Services' managed Enterprise Active Directory and to utilize single sign-on and self-service capabilities of the new Human Resource Management System. (Administrative Hearings Revolving Account-State)

2005-07 Omnibus Operating Budget
Department of Personnel
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	0	42,771	0	42,771	0	42,771
2005-07 Maintenance Level	0	51,711	0	51,711	0	51,711
Policy Changes:						
1. Middle Management Reduction	0	-386	0	-386	0	-386
2. General Inflation	0	-313	0	-313	0	-313
3. Simplified Classification System	0	197	0	197	0	197
4. Personnel System Reform Act of 2002	0	952	0	1,894	0	1,894
5. Boards and Commissions Development	0	166	0	0	0	0
Total Policy Changes	0	616	0	1,392	0	1,392
Total 2005-07 Biennium	0	52,327	0	53,103	0	53,103
Difference from 2003-05	0	9,556	0	10,332	0	10,332
% Change from 2003-05	0.0%	22.3%	0.0%	24.2%	0.0%	24.2%

Comments:

1. Middle Management Reduction - Middle management positions are reduced. (Department of Personnel Service Account - State, Data Processing Revolving Account - Nonappropriated)

2. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

3. Simplified Classification System - Funding is provided to implement a simplified employee classification pursuant to the Personnel System Reform Act of 2002. (Department of Personnel Service Account-State)

4. Personnel System Reform Act of 2002 - Funding is provided for additional resources to implement elements of the civil service reform plan initiated by the Personnel Services Reform Act of 2002. The funding supports additional staff to develop new programs and forms for the new Human Resources Information System, train outside agency personnel for civil service reform changes, and provide administrative support. Professional expertise will also be developed to evaluate the performance of reform efforts, and a Leadership Development Program Manager will create and implement a program in support of the Priorities of Government initiative. (Department of Personnel Service Account-State)

2005-07 Omnibus Operating Budget
State Lottery Commission
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	0	706,027	0	706,027	0	706,027
2005-07 Maintenance Level	0	736,447	0	736,447	0	736,447
Policy Changes:						
1. Middle Management Reduction	0	-23	0	-23	0	-23
2. General Inflation	0	-1,924	0	-1,924	0	-1,924
Total Policy Changes	0	-1,947	0	-1,947	0	-1,947
Total 2005-07 Biennium	0	734,500	0	734,500	0	734,500
Difference from 2003-05	0	28,473	0	28,473	0	28,473
% Change from 2003-05	0.0%	4.0%	0.0%	4.0%	0.0%	4.0%

Comments:

It is the intention of the legislature that the Washington State Lottery shall not use their appropriation to investigate, evaluate, develop, implement, or otherwise support any game that allows or requires a player to become eligible for a prize or to otherwise play any portion of the game by using either (1) the internet; or (2) any interactive device or terminal involving electronic, digital, or video representations of pull-tabs, bingo, poker or other cards, dice, roulette, keno or other games of chance.

1. Middle Management Reduction - Statewide, the number of middle management positions will be reduced by 1,000 positions by the end of the biennium. The reductions are phased in over the entire two year period. Funds are reduced to reflect the portion of the reduction attributable to this agency.

2. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

2005-07 Omnibus Operating Budget
Washington State Gambling Commission
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	0	27,256	0	27,256	0	27,256
2005-07 Maintenance Level	0	28,904	0	28,904	0	26,308
Policy Changes:						
1. Middle Management Reduction	0	0	0	0	0	-156
2. General Inflation	0	-91	0	-91	0	-91
3. Gambling Information Management Sys	0	500	0	500	0	500
Total Policy Changes	0	409	0	409	0	253
Total 2005-07 Biennium	0	29,313	0	29,313	0	26,561
Difference from 2003-05	0	2,057	0	2,057	0	-695
% Change from 2003-05	0.0%	7.5%	0.0%	7.5%	0.0%	-2.5%

Comments:

1. Middle Management Reduction - The Gambling Commission is exempted from the middle management reduction.

2. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

3. Gambling Information Management Sys - Funding is included for the Gambling Commission to replace its current licensing system with a gambling information management system that integrates its stand-alone databases into one comprehensive database with a web-based interface. (Gambling Revolving Account-Non-Appropriated).

2005-07 Omnibus Operating Budget
WA State Commission on Hispanic Affairs
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	413	413	413	413	413	413
2005-07 Maintenance Level	449	449	449	449	449	449
Policy Changes:						
1. General Inflation	-2	-2	-2	-2	-2	-2
2. Address Disparity Issues	0	0	0	0	157	157
3. Workload Adjustment	32	32	32	32	0	0
Total Policy Changes	30	30	30	30	155	155
Total 2005-07 Biennium	479	479	479	479	604	604
Difference from 2003-05	66	66	66	66	191	191
% Change from 2003-05	16.0%	16.0%	16.0%	16.0%	46.2%	46.2%

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (General Fund-State)

3. Workload Adjustment - The Commission on Hispanic Affairs is experiencing increased demand from the public to serve as a liaison between the Hispanic community in Washington State and agencies within state government. Funding is appropriated to increase the executive assistant position to full-time and provides funding for the Commission to meet these needs. (General Fund-State)

2005-07 Omnibus Operating Budget
WA State Comm on African-American Affairs
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	402	402	402	402	402	402
2005-07 Maintenance Level	452	452	452	452	452	452
Policy Changes:						
1. General Inflation	-2	-2	-2	-2	-2	-2
2. Address Disparity Issues	0	0	0	0	146	146
3. Workload Adjustment	21	21	21	21	0	0
Total Policy Changes	19	19	19	19	144	144
Total 2005-07 Biennium	471	471	471	471	596	596
Difference from 2003-05	69	69	69	69	194	194
% Change from 2003-05	17.2%	17.2%	17.2%	17.2%	48.3%	48.3%

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

3. Workload Adjustment - The Commission on African-American Affairs is experiencing increased demand from the public to serve as a liaison between African-Americans in Washington State and agencies within state government. Funding is appropriated to increase the executive assistant position to full time and provides additional funding for the Commission to meet these needs.

2005-07 Omnibus Operating Budget
Personnel Appeals Board
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	0	1,740	0	1,740	0	1,740
2005-07 Maintenance Level	0	1,011	0	1,011	0	1,011
Policy Changes:						
1. General Inflation	0	-5	0	-5	0	-5
Total Policy Changes	0	-5	0	-5	0	-5
Total 2005-07 Biennium	0	1,006	0	1,006	0	1,006
Difference from 2003-05	0	-734	0	-734	0	-734
% Change from 2003-05	0.0%	-42.2%	0.0%	-42.2%	0.0%	-42.2%

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

2005-07 Omnibus Operating Budget
Department of Retirement Systems
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	0	49,671	0	49,671	0	49,671
2005-07 Maintenance Level	0	48,180	0	48,180	0	48,180
Policy Changes:						
1. Middle Management Reduction	0	-324	0	-324	0	-324
2. General Inflation	0	-188	0	-188	0	-188
3. Disaster Recovery	0	205	0	0	0	0
4. Supplemental Plan Study	0	60	0	0	0	0
5. LEOFF 2 Service Credit Purchase	0	0	0	10	0	10
6. LEOFF 2 Post Retirement Employment	0	0	0	55	0	32
7. LEOFF 1 Ex-Spouse Benefits	0	0	0	26	0	26
8. Military Service Credit	0	0	0	46	0	46
9. Post-retirement Employment PERS/TRS	0	0	0	0	0	99
10. TRS Service Credit Purchase	0	0	0	13	0	13
11. LEOFF 1 Reduced Survivor Benefit	0	0	0	79	0	79
12. Emergency Medical Technicians	0	0	0	56	0	56
13. Disability Service Credit Purchase	0	16	0	16	0	0
Total Policy Changes	0	-231	0	-211	0	-151
Total 2005-07 Biennium	0	47,949	0	47,969	0	48,029
Difference from 2003-05	0	-1,722	0	-1,702	0	-1,642
% Change from 2003-05	0.0%	-3.5%	0.0%	-3.4%	0.0%	-3.3%

Comments:

1. Middle Management Reduction - Statewide, the number of middle management positions will be reduced by 1,000 positions by the end of the biennium. The reductions are phased in over the entire two year period. Funds are reduced to reflect the portion of the reduction attributable to this agency. (Department of Retirement Systems Expense Account-State, Dependent Care Administrative Account-State, and Deferred Compensation Administrative Account-Nonappropriated)

2. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

2005-07 Omnibus Operating Budget

Department of Retirement Systems

5. LEOFF 2 Service Credit Purchase - Funding is provided for administrative costs related to allowing members of the Law Enforcement Officers' and Fire Fighters' Retirement System Plan 2 to purchase up to five years of additional service credit at the time of retirement, pursuant to Chapter 21, Laws of 2005 (HB 1269). (Department of Retirement Systems Expense Account-State)

6. LEOFF 2 Post Retirement Employment - Funding is provided for administrative costs related to allowing retired members of the Law Enforcement Officers' and Fire Fighters' Retirement System Plan 2 to choose either collecting retirement benefits or earning service credit upon employment in a position covered by another state retirement system. This appropriation is contingent on the enactment of House Bill 1270 (LEOFF 2 retire rehire). (Department of Retirement Systems Expense Account-State)

7. LEOFF 1 Ex-Spouse Benefits - Funding is provided for administrative costs related to continuing the court-awarded portion of a benefit paid to the former spouse of a member of the Law Enforcement Officers' and Fire Fighters' Retirement System Plan 1 following the member's death, pursuant to Chapter 62, Laws of 2005 (HB 1319). (Department of Retirement Systems Expense Account-State)

8. Military Service Credit - Funding is provided for administrative costs related to permitting members or survivors of a members of the Law Enforcement Officers' and Fire Fighters' Plan 2, the Public Employees' Retirement System Plan 2/3, the Public Safety Employees' Retirement System Plan 2, the School Employees' Retirement System Plan 2/3, or the Teachers' Retirement System Plan 2/3 to purchase military service credit following honorable discharge if a member is disabled from further employment or killed in the line of duty, pursuant to Chapter 64, Laws of 2005 (HB 1325). (Department of Retirement Systems Expense Account-State)

10. TRS Service Credit Purchase - Funding is provided for administrative costs related to members of the Teachers' Retirement System Plans 2 and 3 to purchase up to five years of service credit at the time of early retirement, pursuant to Chapter 65, Laws of 2005 (HB 1327). (Department of Retirement Systems Expense Account-State)

11. LEOFF 1 Reduced Survivor Benefit - Funding is provided for administrative costs related to extending the availability of an optional, actuarially-reduced survivor benefit for members of the Law Enforcement Officers' and Fire Fighters' Retirement System Plan 1 that have benefits subject to a property division order from a prior divorce, pursuant to Chapter 67, Laws of 2005 (HB 1329). (Department of Retirement Systems Expense Account-State)

12. Emergency Medical Technicians - Funding is provided for administrative costs related to including emergency medical technicians (EMTs) currently covered by the Public Employees' Retirement System in the Law Enforcement Officers' and Fire Fighters' Retirement System Plan 2 (LEOFF 2). Members transferred to LEOFF 2 have the opportunity to pay additional contributions and transfer past service earned in PERS as an EMT to LEOFF 2. Employers of EMTs transferring service will make payments to the LEOFF 2 retirement system to ensure that contribution rates do not increase as a result of the past service credit transfer. This appropriation is contingent on the enactment of Substitute House Bill 1936 (PERS emergency medical technicians). (Department of Retirement Systems Expense Account-State)

13. Disability Service Credit Purchase - Funding is provided for administrative costs associated with allowing members of the Public Employees' Retirement System to purchase up to two years of service credit for time spent separated from employment due to injuries incurred in the line of duty, pursuant to Senate Bill 5522 (Purchasing Service Credit). This appropriation is contingent upon the enactment of Senate Bill 5522. (Department of Retirement Systems Expense Account-State)

2005-07 Omnibus Operating Budget
State Investment Board
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	100	13,448	100	13,448	100	13,448
2005-07 Maintenance Level	0	14,184	0	14,184	0	14,184
Policy Changes:						
1. Recruitment and Retention	0	340	0	340	0	340
2. Middle Management Reduction	0	-67	0	-67	0	-67
3. General Inflation	0	-35	0	-35	0	-35
4. Invest. Perform. & Accountability	0	2,586	0	2,586	0	2,586
5. Investment Personnel Svc Contracts	0	-1,283	0	-1,283	0	-1,283
Total Policy Changes	0	1,541	0	1,541	0	1,541
Total 2005-07 Biennium	0	15,725	0	15,725	0	15,725
Difference from 2003-05	-100	2,277	-100	2,277	-100	2,277
% Change from 2003-05	-100.0%	16.9%	-100.0%	16.9%	-100.0%	16.9%

Comments:

- 1. Recruitment and Retention** - Funding is provided to address issues of recruitment and retention of investment officers. (State Investment Board Expense Account-State)
- 2. Middle Management Reduction** - Middle management positions are reduced. (State Investment Board Expense Account-State)
- 3. General Inflation** - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.
- 4. Invest. Perform. & Accountability** - Funding is provided for additional portfolio manager positions in order to increase the capacity for investment manager selection and oversight, policy analysis, portfolio construction, research, and participation in corporate governance. (State Investment Board Expense Account-State)
- 5. Investment Personnel Svc Contracts** - Funding for a contract to provide the Board's investment accounting system is transferred from appropriated agency expenditures to non-appropriated expenditures. (State Investment Board Expense Account-State)

2005-07 Omnibus Operating Budget
Public Printer
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	0	65,990	0	65,990	0	65,990
2005-07 Maintenance Level	0	66,419	0	66,419	0	66,419
Policy Changes:						
1. Press-Printing and Copying	0	165	0	165	0	165
2. On Demand Printing	0	128	0	128	0	128
3. Tech Efficiencies/Savings & Redist	0	-1,327	0	-1,327	0	-1,327
Total Policy Changes	0	-1,034	0	-1,034	0	-1,034
Total 2005-07 Biennium	0	65,385	0	65,385	0	65,385
Difference from 2003-05	0	-605	0	-605	0	-605
% Change from 2003-05	0.0%	-0.9%	0.0%	-0.9%	0.0%	-0.9%

Comments:

1. Press-Printing and Copying - The budget includes funding for additional costs and 1.8 FTEs associated with operating the printing press to meet increased customer demand for printing and copying. (Printing Plant Revolving Account-Non-appropriated)

2. On Demand Printing - The budget includes funding for additional costs and 3.0 FTEs associated with increased customer orders for printing services. (Printing Plant Revolving Account-Non-appropriated)

3. Tech Efficiencies/Savings & Redist - The budget recognizes a net reduction in costs due to the department's redistribution of current staff to higher demand activities of bindery and shipping, printing and copying, and the department's use of more sophisticated equipment. (Printing Plant Revolving Account-Non-appropriated)

2005-07 Omnibus Operating Budget
Department of Revenue
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	166,137	177,434	166,137	177,434	166,137	177,434
2005-07 Maintenance Level	175,195	187,483	175,304	187,592	175,304	187,592
Policy Changes:						
1. Middle Management Reduction	-1,480	-1,530	-1,480	-1,530	-1,480	-1,530
2. General Inflation	-642	-671	-642	-671	-642	-671
3. Revenue Enhancement	0	0	2,630	2,630	0	0
4. Tax Expenditure Reports (HB 1096)	0	0	0	0	254	254
5. Homeless Housing Program (HB 2163)	0	0	0	0	22	22
6. REET Enforcement (HB 1315)	0	0	206	206	0	0
7. Renewable Energy (SB 5101)	0	0	9	9	0	0
8. Unclaimed Property (SB 5948)	0	-520	0	-520	0	0
9. Vehicle Enforcement (1241)	0	0	100	100	0	0
Total Policy Changes	-2,122	-2,721	823	224	-1,846	-1,925
Total 2005-07 Biennium	173,073	184,762	176,127	187,816	173,458	185,667
Difference from 2003-05	6,936	7,328	9,990	10,382	7,321	8,233
% Change from 2003-05	4.2%	4.1%	6.0%	5.9%	4.4%	4.6%

Comments:

1. Middle Management Reduction - Statewide, the number of middle management positions will be reduced by 1,000 positions by the end of the biennium. The reductions are phased in over the entire two year period. Funds are reduced to reflect the portion of the reduction attributable to this agency.

2. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

3. Revenue Enhancement - Funding is provided for additional audit emphasis in the areas of real estate excise tax, out-of-state auditing, and internal desk audits. These strategies are projected to generate \$15.2 million in General Fund-State revenue and \$2.6 million for local governments in the 05-07 biennium.

6. REET Enforcement (HB 1315) - Funding is provided for detection of transfers of controlling interest in an entity to enforce real estate excise tax laws.

2005-07 Omnibus Operating Budget
Department of Revenue

7. Renewable Energy (SB 5101) - Funding is provided for the implementation of SB 5101, which allows light and power business to provide payment incentives for individuals, businesses and local government who provide renewable energy.

8. Unclaimed Property (SB 5948) - SB 5948 is department request legislation which improves the quality and efficiency of the Unclaimed Property program's administration. Changes include eliminating requirements regarding advertising and record retention and allows the sale of dividend re-investment plans and mutual funds similar to the current sale of other securities. (Unclaimed Personal Property Account-Nonappropriated)

9. Vehicle Enforcement (1241) - Funding is provided for the Department to implement the provisions EHB 1241 and to work with the Washington State Patrol and the Department of Licensing to increase enforcement for Washington State residents whose vehicles and driver's licenses are registered in another state. This strategy is expected to generate \$2.8 million in general fund revenue.

2005-07 Omnibus Operating Budget
Board of Tax Appeals
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	2,234	2,234	2,234	2,234	2,234	2,234
2005-07 Maintenance Level	2,291	2,291	2,291	2,291	2,291	2,291
Policy Changes:						
1. General Inflation	-7	-7	-7	-7	-7	-7
2. Tax Referee and Law Clerk	248	248	248	248	248	248
Total Policy Changes	241	241	241	241	241	241
Total 2005-07 Biennium	2,532	2,532	2,532	2,532	2,532	2,532
Difference from 2003-05	298	298	298	298	298	298
% Change from 2003-05	13.3%	13.3%	13.3%	13.3%	13.3%	13.3%

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

2. Tax Referee and Law Clerk - Funding is provided to hire an additional tax referee and an additional half-FTE law clerk. The additional staff is added due to the board's increased workload and will reduce the amount of time that taxpayers wait for hearing and resolution of their tax appeals and will allow the agency to issue decisions in a more timely manner.

2005-07 Omnibus Operating Budget
Municipal Research Council
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	0	4,621	0	4,621	0	4,621
2005-07 Maintenance Level	0	4,621	0	4,621	0	4,621
Policy Changes:						
1. Contractor Increase	0	300	0	300	0	300
Total Policy Changes	0	300	0	300	0	300
Total 2005-07 Biennium	0	4,921	0	4,921	0	4,921
Difference from 2003-05	0	300	0	300	0	300
% Change from 2003-05	0.0%	6.5%	0.0%	6.5%	0.0%	6.5%

Comments:

1. Contractor Increase - In order to continue to provide good governance consultation to local jurisdictions, the Municipal Research Council will increase its contract with the Municipal Research and Services Center to cover the following items: a 4 percent salary increase for employees in the first year of the biennium; an increase in the existing lease agreement; and an increase in the costs of travel, goods, and services. (County Research Services Account, City and Town Research Services)

2005-07 Omnibus Operating Budget
Office of Minority & Women's Business Enterprises
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	0	2,018	0	2,018	0	2,018
2005-07 Maintenance Level	0	2,401	0	2,401	0	2,401
Policy Changes:						
1. Interagency Agreements	0	525	0	525	0	525
2. General Inflation	0	-12	0	-12	0	-12
3. Small Business and Grant Support	0	180	0	180	0	180
Total Policy Changes	0	693	0	693	0	693
Total 2005-07 Biennium	0	3,094	0	3,094	0	3,094
Difference from 2003-05	0	1,076	0	1,076	0	1,076
% Change from 2003-05	0.0%	53.3%	0.0%	53.3%	0.0%	53.3%

Comments:

1. Interagency Agreements - Technical adjustments are made to an interagency agreement to match expenditures with available revenue. (OMWBE Account-State)

2. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (OMWBE Account-State)

3. Small Business and Grant Support - The Office of Minority and Women's Business Enterprises (OMWBE) applies for and administers private sector grants as one of its revenue sources. Funding is appropriated for 1.0 FTE to manage these grants and coordinate additional support services to small businesses in Washington State. Grant monies shall be used to fund this position. (OMWBE Account-State)

2005-07 Omnibus Operating Budget
Department of General Administration
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	478	132,130	478	132,130	478	132,130
2005-07 Maintenance Level	495	127,739	495	127,739	495	127,739
Policy Changes:						
1. Transfer Capital Costs	0	2,336	0	2,214	0	2,214
2. Middle Management Reduction	-24	-970	-24	-970	-24	-970
3. General Inflation	0	-931	0	-931	0	-931
4. Nonappropriated Fund Adjustment	0	0	0	106	0	106
5. Alternative Public Works (HB 1830)	0	0	75	75	75	75
6. State Enterprise Procurement System	0	251	0	251	0	251
7. Engineer and Architect Services	0	2,747	0	2,747	0	2,747
8. Improve Parking Enforcement	0	0	0	56	0	56
9. Implement a Business Support System	0	0	0	100	0	100
10. Legislative Building Security	0	0	0	-2,009	0	-2,009
Total Policy Changes	-24	3,433	51	1,639	51	1,639
Total 2005-07 Biennium	471	131,172	546	129,378	546	129,378
Difference from 2003-05	-7	-958	68	-2,752	68	-2,752
% Change from 2003-05	-1.5%	-0.7%	14.2%	-2.1%	14.2%	-2.1%

Comments:

1. Transfer Capital Costs - Transfer the ongoing costs of functions that provide general support to the capital program from the capital budget to the operating budget where these functions are more appropriately funded.

2. Middle Management Reduction - Middle management positions are reduced.

3. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

4. Nonappropriated Fund Adjustment - Actual increase in workload and other costs in non-appropriated programs.

2005-07 Omnibus Operating Budget

Department of General Administration

April 23, 2005
12:57 pm

5. Alternative Public Works (HB 1830) - Funding is provided for the implementation of Engrossed Substitute House Bill No. 1830 (alternative public works). If legislation is not enacted by June 30, 2005, the funding lapses.

6. State Enterprise Procurement System - In the 2003-05 Biennium, the Procurement Contract Administration Office rolled out the new Washington Electronic Business Solutions enterprise procurement support system that provides vendors and state agencies with a new procurement on-line portal for vendor registration, bid notification, bid quotes, and contract usage reporting. In the 2005-07 Biennium, a new system module will be added that will allow the vendor community and state agencies to conduct the following procurement activities on-line: pre-bids, bid evaluation, contract award and contract management. This new statewide procurement system will allow the state to more effectively aggregate purchases of goods and services, resulting in state agency savings from cheaper goods and services. (General Administration Services Account-Nonappropriated)

7. Engineer and Architect Services - The Engineering and Architectural Services Division's reimbursable project management activities will be transferred from the capital budget to the Department of General Administration's (GA) internal service fund in the operating budget to more appropriately reflect its fee for service nature and to improve accountability, financial visibility, and managerial control. (General Administration Services Account-Nonappropriated)

8. Improve Parking Enforcement - The Department of General Administration will contract with the Washington State Patrol (WSP) for a trooper to conduct full-time parking enforcement on the capitol campus. Increased enforcement is required to reduce unauthorized parking in capitol campus parking spaces. In previous biennia, WSP troopers' time on the campus was split between providing a security presence, responding to reports of criminal activity, and enforcing laws and regulations. (State Vehicle Parking Account-Nonappropriated)

9. Implement a Business Support System - The Senate proposed budget does not fund this item.

10. Legislative Building Security - Security operations in the Legislative Building that began in January 2005, including perimeter security, entrance screening, and camera monitoring is eliminated.

2005-07 Omnibus Operating Budget
Department of Information Services
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	2,650	208,538	2,650	208,538	2,650	208,538
2005-07 Maintenance Level	39	207,330	39	207,330	39	207,330
Policy Changes:						
1. Digital Learning Commons	0	2,650	0	0	0	0
2. Business Continuity	0	500	0	500	0	500
3. Middle Management Reduction	0	-714	0	-714	0	-714
4. General Inflation	-39	-2,014	-39	-2,014	-39	-2,014
5. Justice Information Network	0	0	684	684	684	684
6. Small Agency Client Services	0	764	0	974	0	974
7. Enterprise Business Support	0	610	0	610	0	610
8. Enhanced Radio Communications	0	381	0	381	0	381
Total Policy Changes	-39	2,177	645	421	645	421
Total 2005-07 Biennium	0	209,507	684	207,751	684	207,751
Difference from 2003-05	-2,650	969	-1,966	-787	-1,966	-787
% Change from 2003-05	-100.0%	0.5%	-74.2%	-0.4%	-74.2%	-0.4%

Comments:

2. Business Continuity - Funding is provided for the development of a statewide business continuity governance structure, an enterprise business continuity framework, and a statewide business continuity plan and budget that identifies the state's vital systems and services that must remain operational in a disaster and the planned level of availability required for each service. (Data Processing Revolving Account-Nonappropriated)

3. Middle Management Reduction - Middle management positions are reduced. (Data Processing Revolving Account-State, Data Processing Revolving Account-Nonappropriated, Education Technology Revolving Account-Nonappropriated)

4. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (Data Processing Revolving Account-State, Data Processing Revolving Account-Nonappropriated, Education Technology Revolving Account-Nonappropriated)

5. Justice Information Network - Funding is provided to establish a Justice Information Network office within the Department of Information Services. (Public Safety and Education Account-State)

2005-07 Omnibus Operating Budget
Department of Information Services

April 23, 2005
12:57 pm

6. Small Agency Client Services - Funding is provided for IT technical/security and facility assessments, critical IT infrastructure equipment acquisition, and resource-sharing of IT infrastructure through co-location with larger agencies or migration to DIS centralized e-mail and server hosting services. (Data Processing Revolving Account-Nonappropriated)

7. Enterprise Business Support - Funding is provided to support workload increases resulting from development of the Department of Personnel's Human Resource Management system and the Department of Labor and Industries' Online Reporting and Customer Access system. (Data Processing Revolving Account-Nonappropriated)

8. Enhanced Radio Communications - Funding is provided to create a State Interoperability Executive Committee (SIEC) project office within the Department of Information Services. The office will serve as a link between public safety and public service communications systems and to manage state-designated and state-owned radio frequencies across the state. Project office staff will also assist state agencies with migration to the Federal Communications Commission's mandated narrow band technology. (Data Processing Revolving Account-Nonappropriated)

2005-07 Omnibus Operating Budget
Office of Insurance Commissioner
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	0	34,118	0	34,118	0	34,118
2005-07 Maintenance Level	0	35,055	0	35,055	0	35,055
Policy Changes:						
1. Middle Management Reduction	0	-312	0	-312	0	-312
2. General Inflation	0	-89	0	-89	0	-89
3. Financial Analysis Improvement	0	194	0	194	0	194
4. Accreditation Standard	0	0	0	281	0	281
5. HP 3000 Computer Replacement	0	3,514	0	3,514	0	3,514
6. Illegal Insurer Investigations	0	162	0	162	0	162
7. IT Asset Replacement	0	594	0	594	0	594
8. Market Analysis Development Project	0	108	0	108	0	108
9. SHIBA HelpLine	0	452	0	452	0	452
Total Policy Changes	0	4,623	0	4,904	0	4,904
Total 2005-07 Biennium	0	39,678	0	39,959	0	39,959
Difference from 2003-05	0	5,560	0	5,841	0	5,841
% Change from 2003-05	0.0%	16.3%	0.0%	17.1%	0.0%	17.1%

Comments:

1. Middle Management Reduction - Middle management positions are reduced.

2. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

3. Financial Analysis Improvement - Funding is provided to hire an additional insurance examiner that will enable the Office of Insurance Commissioner (OIC) to identify financially troubled insurers earlier, allowing the agency to take corrective action sooner, thus reducing the risk to consumers. OIC performs a basic analysis of domestic insurers' financial statements which identifies companies with the potential of becoming financially distressed. Through early detection and intervention, the agency can assist companies before they face serious financial problems or insolvency. Currently, OIC is only able to perform an analysis of the most troubled companies. (Insurance Commissioner's Regulatory Account-State)

4. Accreditation Standard - Funding and staff are provided for the insurance commissioner to meet national accreditation standards.

**2005-07 Omnibus Operating Budget
Office of Insurance Commissioner**

5. HP 3000 Computer Replacement - The Office of Insurance Commissioner's HP 3000 mainframe computer will no longer be supported by the manufacturer as of December 2006. All mission critical agency insurance data reside on this system. Funding is provided to replace the mainframe and to redesign all mission critical applications. Funding for the requirements definition phase of this project was approved in the 2004 Supplemental Budget. (Insurance Commissioner's Regulatory Account-State)

6. Illegal Insurer Investigations - Washington consumers are being victimized by criminal enterprises selling fraudulent insurance products. This funding will enable the Office of Insurance Commissioner to evaluate and investigate all referrals of suspected criminal activity involving insurance transactions. Funding for one investigator position is needed to supplement the work of the current investigator. (Insurance Commissioner's Regulatory Account-State)

7. IT Asset Replacement - The Office of Insurance Commissioner's current personal computer and network infrastructure has reached the end of its life cycle. Funding is provided for an information technology (IT) asset replacement cycle for all IT equipment and standard desktop software. (Insurance Commissioner's Regulatory Account-State)

8. Market Analysis Development Project - Funding is needed for a one-year project position to determine the feasibility, design, structure, and organizational impact of establishing a market analysis program as a tool for regulating insurance products sold in the state of Washington. This development project is being driven at the national level to better focus limited resources on consumer protection. (Insurance Commissioner's Regulatory-State)

9. SHIBA HelpLine - The Office of Insurance Commissioner's Statewide Health Insurance Benefits Advisors (SHIBA) HelpLine is a statewide network of trained volunteers who provide one-on-one counseling and community education to consumers on health care and health insurance. SHIBA volunteers are supported by a county sponsor, usually a single community organization working with consumers in that county. The increasingly diverse population of Washington, including many non-English speaking residents, has strained sponsor capability, particularly in King, Pierce and Snohomish counties. Funding is provided for sponsor reimbursements and a health insurance advisor to improve service to the diverse populations of this three-county area. (Insurance Commissioner's Regulatory Account-State)

2005-07 Omnibus Operating Budget
State Board of Accountancy
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	0	1,994	0	1,994	0	1,994
2005-07 Maintenance Level	0	1,940	0	1,940	0	1,940
Policy Changes:						
1. General Inflation	0	-9	0	-9	0	-9
Total Policy Changes	0	-9	0	-9	0	-9
Total 2005-07 Biennium	0	1,931	0	1,931	0	1,931
Difference from 2003-05	0	-63	0	-63	0	-63
% Change from 2003-05	0.0%	-3.2%	0.0%	-3.2%	0.0%	-3.2%

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

2005-07 Omnibus Operating Budget
Forensic Investigations Council
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	0	274	0	274	0	274
2005-07 Maintenance Level	0	282	0	282	0	282
Total 2005-07 Biennium	0	282	0	282	0	282
Difference from 2003-05	0	8	0	8	0	8
% Change from 2003-05	0.0%	2.9%	0.0%	2.9%	0.0%	2.9%

Comments:

2005-07 Omnibus Operating Budget
Washington Horse Racing Commission
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	0	4,647	0	4,647	0	4,647
2005-07 Maintenance Level	0	8,498	0	8,498	0	8,498
Policy Changes:						
1. General Inflation	0	-20	0	-20	0	-20
Total Policy Changes	0	-20	0	-20	0	-20
Total 2005-07 Biennium	0	8,478	0	8,478	0	8,478
Difference from 2003-05	0	3,831	0	3,831	0	3,831
% Change from 2003-05	0.0%	82.4%	0.0%	82.4%	0.0%	82.4%

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

2005-07 Omnibus Operating Budget
Washington State Liquor Control Board
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	2,935	162,281	2,935	162,281	2,935	162,281
2005-07 Maintenance Level	3,039	170,730	3,039	170,730	3,039	170,730
Policy Changes:						
1. Change Expense to Nonappropriated	0	58	0	58	0	58
2. Middle Management Reduction	-15	-547	-15	-547	-15	-547
3. General Inflation	-7	-1,123	-7	-1,123	-7	-1,123
4. Staff Training	0	402	0	402	0	402
5. Criminal Justice Training	32	158	32	158	32	158
6. Enhance Stores Network Connection	0	2,228	0	2,228	0	2,228
7. Alcohol Education Initiative #	0	186	0	186	0	0
8. Optional Redemption of COPs	0	4,315	0	4,315	0	4,315
9. Improve Core Technology Operations	0	2,261	0	2,261	0	2,261
10. Financing Warehouse Expansion	0	2,800	0	2,800	0	2,800
11. Increase Shipping Capacity	0	3,233	0	3,233	0	3,233
12. More Store FTEs for Revenue Growth	0	2,746	0	2,746	0	2,746
13. Liquor Retail Plan (HB 1379)	0	0	0	0	0	1,435
14. Liquor Retail Business Plan	0	1,435	0	1,435	0	0
15. Tobacco Products Enforc. (SB 6097)	0	0	309	309	0	0
Total Policy Changes	10	18,152	319	18,461	10	17,966
Total 2005-07 Biennium	3,049	188,882	3,358	189,191	3,049	188,696
Difference from 2003-05	114	26,601	423	26,910	114	26,415
% Change from 2003-05	3.9%	16.4%	14.4%	16.6%	3.9%	16.3%

Comments:

1. Change Expense to Nonappropriated - Bags to carry purchased liquor are changed from an appropriated to a nonappropriated/budgeted expense. In previous biennia bags have been an appropriated expense. This change allows the Liquor Control Board to continue to provide bags to customers without having to seek additional appropriation authority when liquor sales increase. (Liquor Revolving Account-Non-Appropriated)

2. Middle Management Reduction - Statewide, the number of middle management positions will be reduced by 1,000 positions by the end of the biennium. The reductions are phased in over the entire two year period. Funds are reduced to reflect the portion of the reduction attributable to this agency.

2005-07 Omnibus Operating Budget Washington State Liquor Control Board

3. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

4. Staff Training - Funding is provided for an FTE and staff training courses. (Liquor Revolving Account-State)

5. Criminal Justice Training - All newly hired liquor enforcement officers (LEOs) are required to receive 720 hours of basic law enforcement academy (BLEA) training. Currently, there are 40 LEOs employed prior to this period, that have not received this training. Beginning in the 2005-07 Biennium, five of these LEOs will attend the BLEA per year. This funding will allow all LEOs to meet the minimum law enforcement training standards established by the Washington State Criminal Justice Training Commission. (Liquor Revolving Account-State)

6. Enhance Stores Network Connection - Funding is provided for a high-speed Wide Area Network (WAN) to be installed in all of the 161 state liquor stores, which will allow credit card transaction times of five seconds or less, access to on-line Lottery games, and the ability to conduct product searches. (Liquor Revolving Account-State).

7. Alcohol Education Initiative # - Funding is provided for an alcohol education staff coordinator to leverage resources for direct alcohol abuse prevention services such as a media campaign or educational materials targeted toward middle school and high school students, with input from the Department of Social and Health Services' Division of Alcohol and Substance Abuse and the Governor's Council on Substance Abuse. (Liquor Revolving Account)

8. Optional Redemption of COPs - Funding is provided for the Liquor Control Board to make an accelerated final payment on the Certificate of Participation that was used to finance the new Seattle Liquor Distribution Center. Making this accelerated final payment saves the state \$390,000 in interest expenses. Once the debt is eliminated, the agency will retain a portion of the \$0.20/liter surcharge to finance the expansion of the Seattle Distribution Center. (Liquor Control Board Construction and Maintenance Account-State)

9. Improve Core Technology Operations - Funding is provided for information technology investments in the following areas: replacement of essential computer equipment; improvement of security measures; and improvement of the technical support for core infrastructure. The improvement of security measures involves hiring an IT security coordinator to bring the Liquor Control Board into full compliance with all Information Services Board security standards. The improvement of technical support for the core infrastructure includes adding three additional staff to address network and management concerns. (Liquor Revolving Account-State)

10. Financing Warehouse Expansion - Funding is provided to expand the Seattle Liquor Distribution Center to meet annual growth in liter sales of 4.8 percent. The additional space will support expanded receiving docks, floor and rack storage, and staging areas. Construction is expected to be completed by December 2007, and the project cost is estimated at \$17.5 million. The Board will fund the expansion through a certificate of participation and continuation of the 20 cents per liter surcharge that funded the existing Distribution Center. (Liquor Control Board Construction and Maintenance Account-State)

11. Increase Shipping Capacity - Funding is provided to improve the material handling equipment at the Seattle Liquor Distribution Center. Additions include: an upgrade to the latest version of the Warehouse Management System (WMS) software, modifications to the WMS software to allow for more efficient product retrieval, purchase of a carousel maintenance agreement, and additional product retrieval equipment and material handling system back-up parts. The upgrades to the material handling equipment and warehouse management systems, to be made in FY 2005 and early FY 2006, will generate an additional \$14.86 million in revenue. (Liquor Revolving Account-State)

**2005-07 Omnibus Operating Budget
Washington State Liquor Control Board**

12. More Store FTEs for Revenue Growth - Funding is provided for new staff in stores with the greatest potential for revenue growth. The Liquor Control Board, with the assistance of two new retail business analysts and an independent consultant, will analyze the impact of additional staff on customer satisfaction and revenue growth and make recommendations concerning the need for additional state liquor store staff, store relocations, new state and contract liquor stores, and other retail organizational structure changes. (Liquor Revolving Account-State)

14. Liquor Retail Business Plan - Funding is provided to implement HB 1379 which requires the liquor control board to implement a liquor retail business plan. The business plan includes opening at least 20 stores on Sundays. The plan also includes in-store merchandising and point of sale advertising. (Liquor Revolving Account)

15. Tobacco Products Enforc. (SB 6097) - Funding is provided for two enforcement officers to enforce the new licensing and compliance requirements set out in SB 6097 on people who sell tobacco products.

2005-07 Omnibus Operating Budget
Utilities and Transportation Commission
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	0	30,485	0	30,485	0	30,485
2005-07 Maintenance Level	0	32,030	0	32,030	0	32,030
Policy Changes:						
1. National Energy Policy Devt	0	120	0	120	0	120
2. Middle Management Reduction	0	-253	0	-253	0	-253
3. General Inflation	0	-68	0	-68	0	-68
4. Information Services Support	0	145	0	145	0	145
5. Statewide Systems Increase	0	46	0	46	0	46
6. Public Counsel Legal Services	0	70	0	70	0	70
Total Policy Changes	0	60	0	60	0	60
Total 2005-07 Biennium	0	32,090	0	32,090	0	32,090
Difference from 2003-05	0	1,605	0	1,605	0	1,605
% Change from 2003-05	0.0%	5.3%	0.0%	5.3%	0.0%	5.3%

Comments:

1. National Energy Policy Devt - Funding is provided to further the state's interest in national policy development being considered in Congress and at the Federal Energy Regulatory Commission. (Public Service Revolving Account-State)

2. Middle Management Reduction - Statewide, the number of middle management positions will be reduced by 1,000 positions by the end of the biennium. The reductions are phased in over the entire two year period. Funds are reduced to reflect the portion of the reduction attributable to this agency.

3. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

4. Information Services Support - Funding is provided for one additional staff position in the Information Services section of the Washington Utilities and Transportation Commission. This section has multiple developmental projects underway, as well as a project backlog that exceeds the staff available to address it. (Public Service Revolving Account-State)

**2005-07 Omnibus Operating Budget
Utilities and Transportation Commission**

5. Statewide Systems Increase - Funding is provided to improve the agency cost allocation and revenue systems that were developed in the 1960s. This enhancement will allow the Commission to utilize the state accounting system (AFRS) to a greater degree and implement the new state time-keeping system in FY 2005. (Public Service Revolving Account-State)

6. Public Counsel Legal Services - Funding is provided to improve the ability of the Public Counsel to address consumer issues through testimony and analysis by a variety of expert witnesses. Recent changes in the telecommunications, electric, and natural gas industries requires the use of expert witnesses beyond the capacity of the current budget. (Public Service Revolving Account-State)

2005-07 Omnibus Operating Budget
Board for Volunteer Firefighters
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	0	738	0	738	0	738
2005-07 Maintenance Level	0	763	0	763	0	763
Policy Changes:						
1. General Inflation	0	-2	0	-2	0	-2
2. Contract for IT Support Services	0	18	0	18	0	18
3. Hire an Office Assistant	0	45	0	45	0	45
4. Civil Service Reform Training	0	1	0	1	0	1
Total Policy Changes	0	62	0	62	0	62
Total 2005-07 Biennium	0	825	0	825	0	825
Difference from 2003-05	0	87	0	87	0	87
% Change from 2003-05	0.0%	11.8%	0.0%	11.8%	0.0%	11.8%

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (Volunteer Firefighters/Reserve Officers Administrative Account-Nonappropriated)

2. Contract for IT Support Services - Funding is provided for information technology support provided by the Department of Information Services. (Volunteer Firefighters/Reserve Officers Administrative Account-Nonappropriated)

3. Hire an Office Assistant - Funding is provided to meet additional staffing requirements, including separating duties and meeting increased workload demands. (Volunteer Firefighters/Reserve Officers Administrative Account-Nonappropriated)

4. Civil Service Reform Training - Funding is provided for costs associated with required civil service reform training to comply with the Personnel System Reform Act of 2002. (Volunteer Firefighters/Reserve Officers Administrative Account-Non-Appropriated)

2005-07 Omnibus Operating Budget
Military Department
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	17,165	286,446	17,165	286,446	17,165	286,446
2005-07 Maintenance Level	17,804	264,796	17,804	264,796	17,804	264,796
Policy Changes:						
1. E-911 Database Upgrade	0	2,900	0	2,900	0	2,900
2. Middle Management Reduction	-122	-257	-122	-257	-122	-257
3. General Inflation	-81	-292	-81	-292	-81	-292
4. Alert & Warning Ctr Staffing	386	386	386	386	0	0
5. Volunteer Medical Worker (HB 1850)	0	0	0	0	62	62
6. Natn'l Guard Life Ins. (HB 1343)	0	0	0	0	432	432
7. Mt. St. Helens Emerg Communications	0	867	867	867	0	0
Total Policy Changes	183	3,604	1,050	3,604	291	2,845
Total 2005-07 Biennium	17,987	268,400	18,854	268,400	18,095	267,641
Difference from 2003-05	822	-18,046	1,689	-18,046	930	-18,805
% Change from 2003-05	4.8%	-6.3%	9.8%	-6.3%	5.4%	-6.6%

Comments:

1. E-911 Database Upgrade - Funding is appropriated to upgrade the enhanced 911 database to meet the National Emergency Number Association's Extensible Markup Language (XML) standards. This upgrade will permit data sharing between multiple systems, including wireline, wireless, and voice-over-Internet Protocol technology. These applications have been endorsed by the Federal Communications Commission. (Enhanced 911 Account)

2. Middle Management Reduction - Middle management positions are reduced.

3. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

4. Alert & Warning Ctr Staffing - Funding is appropriated to add three FTEs for the Emergency Operations' Alert and Warning Center to provide the center with two employees per shift. This will reduce overtime costs and eliminate periods where only one employee covers the shift.

2005-07 Omnibus Operating Budget
Military Department

7. Mt. St. Helens Emerg Communications - One-time funding is appropriated for to the Cowlitz County 911 Communications Center for the purposes of purchasing or reimbursing the cost of purchasing interoperable radio communication technology to improve disaster response in the Mt. St. Helens area.

2005-07 Omnibus Operating Budget
Public Employment Relations Commission
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	4,856	7,403	4,856	7,403	4,856	7,403
2005-07 Maintenance Level	5,162	7,873	5,162	7,873	5,162	7,873
Policy Changes:						
1. General Inflation	-16	-23	-16	-23	-16	-23
Total Policy Changes	-16	-23	-16	-23	-16	-23
Total 2005-07 Biennium	5,146	7,850	5,146	7,850	5,146	7,850
Difference from 2003-05	290	447	290	447	290	447
% Change from 2003-05	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (Department of Personnel Service-State)

2005-07 Omnibus Operating Budget
LEOFF 2 Retirement Board
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	0	889	0	889	0	889
2005-07 Maintenance Level	0	1,889	0	1,889	0	1,889
Policy Changes:						
1. General Inflation	0	-5	0	-5	0	-5
Total Policy Changes	0	-5	0	-5	0	-5
Total 2005-07 Biennium	0	1,884	0	1,884	0	1,884
Difference from 2003-05	0	995	0	995	0	995
% Change from 2003-05	0.0%	111.9%	0.0%	111.9%	0.0%	111.9%

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (Law Enforcement Officers' and Fire Fighters' Retirement System Plan 2 Expense Account).

2005-07 Omnibus Operating Budget
Growth Management Hearings Board
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	3,020	3,020	3,020	3,020	3,020	3,020
2005-07 Maintenance Level	3,053	3,053	3,053	3,053	3,053	3,053
Policy Changes:						
1. Connecting to the State Network	0	0	0	0	18	18
2. General Inflation	-7	-7	-7	-7	-7	-7
3. Caseload Increases	62	62	62	62	62	62
Total Policy Changes	55	55	55	55	73	73
Total 2005-07 Biennium	3,108	3,108	3,108	3,108	3,126	3,126
Difference from 2003-05	88	88	88	88	106	106
% Change from 2003-05	2.9%	2.9%	2.9%	2.9%	3.5%	3.5%

Comments:

2. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

3. Caseload Increases - Funding is provided to meet the anticipated increase in cases filed for review due to counties and cities updating their natural resource lands designations, critical areas ordinances, comprehensive plans and development regulations.

2005-07 Omnibus Operating Budget
State Convention and Trade Center
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	0	71,735	0	71,735	0	71,735
2005-07 Maintenance Level	0	76,649	0	76,649	0	76,649
Policy Changes:						
1. General Inflation	0	-154	0	-154	0	-154
Total Policy Changes	0	-154	0	-154	0	-154
Total 2005-07 Biennium	0	76,495	0	76,495	0	76,495
Difference from 2003-05	0	4,760	0	4,760	0	4,760
% Change from 2003-05	0.0%	6.6%	0.0%	6.6%	0.0%	6.6%

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

2005-07 Omnibus Operating Budget
Department of Archaeology & Historic Preservation
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	0	0	0	0	0	0
2005-07 Maintenance Level	0	0	0	0	0	0
Policy Changes:						
1. Establishment of Agency	1,099	2,559	1,099	2,559	0	0
Total Policy Changes	1,099	2,559	1,099	2,559	0	0
Total 2005-07 Biennium	1,099	2,559	1,099	2,559	0	0
Difference from 2003-05	1,099	2,559	1,099	2,559	0	0
% Change from 2003-05	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Comments:

1. Establishment of Agency - The Department of Archaeology and Historic Preservation (DAHP) is established as a separate agency of state government. The creation of this new agency will allow for institutional efficiencies, creating a greater funding base to distribute to local governments for preservation-related activities. (General Fund-State, General Fund-Federal, General Fund-Local)

2005-07 Omnibus Operating Budget
Washington State Health Care Authority
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	418,160	553,420	418,160	553,420	418,160	553,420
2005-07 Maintenance Level	459,740	616,562	459,740	616,562	459,740	616,562
Policy Changes:						
1. Flexible Spending Accounts #	0	346	0	346	0	346
2. Public Employees Program Support	0	500	0	500	0	500
3. Middle Management Reduction	-237	-412	-237	-412	-237	-412
4. Community Clinic Savings	0	0	-5,000	-5,000	-5,000	-5,000
5. Review Evidence-Based Purchasing	0	0	0	0	0	221
6. Prescription Purchasing Consortium#	391	391	391	391	391	391
7. Expand Drug Cost Management	0	0	350	700	0	0
8. Small Business Assist Program #	0	0	0	0	630	630
9. General Inflation	-84	-170	-84	-170	-84	-170
10. Ins Eligibility/Acctg Syst Upgrade	0	0	0	7,130	734	7,922
11. Medicare Modernization Act Impacts#	0	479	0	479	0	479
12. Enhance UMP Clinical & Provider Mgm	0	285	0	285	0	570
13. Certificate of Need Program	0	0	250	250	250	250
14. Dental Residency Program	0	0	395	395	750	750
15. Non-Subsidized BHP Program	0	0	0	0	403	403
16. Prescription Drug Reimportation	0	0	0	0	463	477
17. BH Health Savings Account Study	0	0	0	0	50	50
18. Discontinue "Pharmacy Connections"	-750	-750	-750	-750	-750	-750
19. Electronic Medical Records	316	331	316	331	0	0
Total Policy Changes	-364	1,000	-4,369	4,475	-2,400	6,657
Total 2005-07 Biennium	459,376	617,562	455,371	621,037	457,340	623,219
Difference from 2003-05	41,216	64,142	37,211	67,617	39,180	69,799
% Change from 2003-05	9.9%	11.6%	8.9%	12.2%	9.4%	12.6%

Comments:

2005-07 Omnibus Operating Budget Washington State Health Care Authority

April 23, 2005
12:57 pm

1. Flexible Spending Accounts # - Funding is provided to expand the state's flexible spending account program from a limited pilot project in higher education to general government employees, as called for in the 2005-07 collective bargaining agreements. FSAs are plans that allow employees to defer pre-tax income, and subsequently spend those tax-free dollars on qualified health expenditures. The administrative cost of the program will be paid by state agencies according to the degree of participation of their employees. It is assumed for the 2005-07 Biennium that agencies' savings on Federal Insurance Contributions Act (FICA) payments will cover the costs charged to them, as the agencies' tax liability will be lower for employees who are deferring pre-tax income. The Health Care Authority will administer the program and bill agencies directly for their participation. (Health Care Authority Administration Account-State)

2. Public Employees Program Support - Funding is provided to make information system changes needed in fiscal year 2006 in order to accommodate the proposed two-tiered funding rate for represented and non-represented state employees in fiscal year 2007. (Health Care Authority Administration Account-State)

3. Middle Management Reduction - Middle management positions are reduced.

4. Community Clinic Savings - The level of grant funding for community clinic support statewide is reduced by \$5.0 million. (Health Services Account-State)

5. Review Evidence-Based Purchasing - As directed in Senate Bill 5924, the Agency Medical Directors' Group will implement a pilot project to coordinate and strengthen state agency efforts to obtain and evaluate scientific evidence regarding new health care procedures, services, and technology. The pilot will allow agencies to coordinate their evaluations, and support additional progress in the area of evidence-based health purchasing. Participating agencies are the Health Care Authority, the Department of Social and Health Services Medical Assistance Administration, the Department of Labor and Industries, the Department of Corrections, and the Department of Veterans' Affairs. The budget anticipates that the agencies will implement this improvement by re-deploying funds they are already spending on their individual, uncoordinated efforts.

6. Prescription Purchasing Consortium# - As provided in Senate Bill 5471, the Health Care Authority will organize a drug purchasing consortium that will include state agencies, and any private organization or uninsured state resident that chooses to join. Building upon state government's current evidence-based preferred drug list, the consortium will utilize the combined purchasing power of consortium members to leverage discounted prices from drug manufacturers. State funds are provided to cover the initial costs of designing and organizing the consortium. Ongoing operating costs are to be covered by enrollment fees charged to consortium participants, currently estimated at about \$30 per enrollee per year. (Health Services Account-State, Drug Purchasing Consortium Account - Non-Appropriated)

7. Expand Drug Cost Management - Funding is provided to increase to approximately 50 the number of therapeutic drug classes included in the state preferred drug list established under RCW 70.14.050. This expansion of the number of drugs subject to evidence-based purchasing is expected to result in \$7 million of reduced drug expenditures for the medical assistance program in the Department of Social and Health Services. (Health Services Account-State, General Fund-Federal)

9. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (General Fund - Federal, Health Care Authority Administrative Account - State, Uniform Medical Plan Account - Non-appropriated, Health Services Account - State)

10. Ins Eligibility/Acctg Syst Upgrade - Funding is provided to begin acquisition and implementation of a replacement benefit administration and insurance accounting system to support current and future business requirements. (General Fund-Federal, Health Care Authority Administrative Account-State, Health Services Account-State)

**2005-07 Omnibus Operating Budget
Washington State Health Care Authority**April 23, 2005
12:57 pm

11. Medicare Modernization Act Impacts# - Funding is provided to cover the administrative costs of coordinating the supplemental health benefits available to retired state and school employees with the new Medicare Part D prescription drug benefit. Beginning in January 2006, Medicare will offer incentives for employers, such as the state, to continue to offer retiree prescription drug benefits. Administrative efforts are needed to ensure that the state's retiree drug benefits are at least actuarially equivalent to those available through Medicare, and that the state receives the Medicare subsidy for which it is eligible. (Health Care Authority Administrative Account-State)

12. Enhance UMP Clinical & Provider Mgm - Funds are provided for the Health Care Authority to improve clinical and provider management activities within the Uniform Medical Plan (UMP) in the following ways: 1) establish an integrated database to coordinate, track, and document complaints and coverage issues such as appeals, prior authorizations and other clinical decisions; 2) expand collaborative pilot projects to reward health care providers who deliver cost-effective care; and 3) enhance provider reimbursement systems to control costs and ensure appropriate payment levels for additional types of medical services. (Health Care Authority Administrative Account-State)

13. Certificate of Need Program - In accordance with House Bill 1688 (certificate of need program), funding is provided for a task force to study and make recommendations to the Governor and the Legislature on improving the scope and operation of the Certificate of Need program, under which the Department of Health regulates construction and programmatic changes in many different types of health care facilities. (Health Services Account-State)

14. Dental Residency Program - Funding is provided for Substitute House Bill 1689 (dental health services). The bill permits exemption from dental licensure for post-doctoral dental students during a supervised residency in a community health clinic that serves predominantly low income patients, or is located in an area of the state with a dental care health professional shortage. Funds will support start-up of one clinical site in Fiscal Year 2006, and stipends for students serving a one-year residency at the site in Fiscal Year 2007. (Health Services Account-State)

18. Discontinue "Pharmacy Connections" - Drug manufacturers, in coordination with a number of local patient assistance groups, have undertaken "Rx Help for Washington" to assist low-income people learn about and apply for manufacturer drug discount programs for which they may be eligible. Consequently, state funding for the Pharmacy Connections program, which provides similar information and assistance, can be discontinued. (Health Services Account-State)

19. Electronic Medical Records - Funds are appropriated to pay for the costs associated with conducting a study of electronic medical record systems and other health information technologies, as called for in Substitute Senate Bill 5064 (Electronic Medical Records). (General Fund-Federal, Health Services Account-State)

2005-07 Omnibus Operating Budget
Human Rights Commission
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	4,795	6,455	4,795	6,455	4,795	6,455
2005-07 Maintenance Level	5,109	6,786	5,109	6,786	5,109	6,786
Policy Changes:						
1. General Inflation	-14	-19	-14	-19	-14	-19
2. Federal Funding Adjustment	-200	0	0	0	0	0
3. Expansion of Jurisdiction (HB 1515)	0	0	0	0	152	152
4. Staff Training	46	46	23	23	23	23
Total Policy Changes	-168	27	9	4	161	156
Total 2005-07 Biennium	4,941	6,813	5,118	6,790	5,270	6,942
Difference from 2003-05	146	358	323	335	475	487
% Change from 2003-05	3.0%	5.5%	6.7%	5.2%	9.9%	7.5%

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

4. Staff Training - Funding is appropriated for staff training to prepare the Commission for potential cases related to civil service reform.

2005-07 Omnibus Operating Budget
Board of Industrial Insurance Appeals
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	0	30,385	0	30,385	0	30,385
2005-07 Maintenance Level	0	32,017	0	32,017	0	32,017
Policy Changes:						
1. Middle Management Reduction	0	-78	0	-78	0	-78
2. General Inflation	0	-130	0	-130	0	-130
3. Expanding Self-Insurers	0	2,480	0	0	0	0
Total Policy Changes	0	2,272	0	-208	0	-208
Total 2005-07 Biennium	0	34,289	0	31,809	0	31,809
Difference from 2003-05	0	3,904	0	1,424	0	1,424
% Change from 2003-05	0.0%	12.8%	0.0%	4.7%	0.0%	4.7%

Comments:

1. Middle Management Reduction - Middle management positions are reduced.

2. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

2005-07 Omnibus Operating Budget
WA State Criminal Justice Training Commission
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	18,206	18,814	18,206	18,814	18,206	18,814
2005-07 Maintenance Level	18,472	19,081	18,472	19,081	18,472	19,081
Policy Changes:						
1. Vendor Rate Increase	43	43	36	36	36	36
2. General Inflation	-155	-156	-155	-156	-155	-156
3. Course Reimbursement	0	0	300	300	300	300
4. Firearms Certificate Program	88	88	88	88	88	88
5. Small Police Agencies Task Force	0	0	100	100	100	100
6. Incident-Based Reporting Software	205	205	205	205	205	205
7. Adjust Corrections Class Size	-500	-500	-250	-250	0	0
8. Expand Training for Prosecutors	0	150	0	0	0	0
9. Cognitive Recognition Technology	250	250	0	0	0	0
10. Sex Offender Website Equipment	30	30	30	30	30	30
Total Policy Changes	-39	110	354	353	604	603
Total 2005-07 Biennium	18,433	19,191	18,826	19,434	19,076	19,684
Difference from 2003-05	227	377	620	620	870	870
% Change from 2003-05	1.2%	2.0%	3.4%	3.3%	4.8%	4.6%

Comments:

1. Vendor Rate Increase - Funding is provided for an inflationary vendor rate increase for the Washington Association of Sheriffs and Police Chiefs (WASPC) and the food services vendor at the Criminal Justice Training Center. The increased funding level is sufficient for an increase of 1.0 percent on July 1, 2005, and 1.0 percent on July 1, 2006, consistent with increases provided to most state vendors. (Public Safety and Education Account-State)

2. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (Public Safety and Education Account-State)

3. Course Reimbursement - Funding is provided for training courses to law enforcement personnel. Expenditures will be fully offset by course reimbursements recorded as revenue. (Public Safety and Education Account-State)

2005-07 Omnibus Operating Budget
WA State Criminal Justice Training Commission

4. Firearms Certificate Program - Funding is provided for staff and materials for a firearms certification program for security guards, which will be offset by an equivalent increase in fee revenues. Currently, the fees charged by the Criminal Justice Training Commission do not recover the costs incurred by the agency in administering the firearms certificate program, as is required by RCW 43.101.260. The Commission is authorized to raise its fees in excess of the Initiative 601 limit to recover actual expenditures. (Public Safety and Education Account-State)

5. Small Police Agencies Task Force - Funding is provided for support of the Coalition of Small Police Agencies Major Crimes Task Force. The purpose of this task force is to pool its resources and to establish an efficient and cooperative approach in addressing major violent crimes. (Public Safety and Education Account-State)

6. Incident-Based Reporting Software - One-time funding is provided for WASPC to purchase a program to allow better crime data sharing between law enforcement agencies. WASPC intends to purchase an off-the-shelf National Incident Based Reporting System (NIBRS) program and data converter to support its current system. The converter allows agencies with incompatible records management to transfer information. NIBRS includes complex and specific crime information allowing the identification of common crimes, similar suspects, and victim information across jurisdictions to prevent and solve crimes. (Public Safety and Education Account-State)

7. Adjust Corrections Class Size - Funding is reduced consistent with underexpenditure patterns in the corrections academies, which have had fewer enrollees than in prior biennia. The agency may absorb this reduction by having slightly larger class sizes, fewer academies each year, or using other efficiency measures. (Public Safety and Education Account-State)

10. Sex Offender Website Equipment - One-time funding is provided for the WASPC to purchase two new servers and associated licenses to maintain the Sex Offender Information Center (SOIC) on its website. The SOIC was authorized and funded by the Legislature in 2003, and provides web-based information to the public on registered sex offenders living in their area. (Public Safety and Education Account-State)

2005-07 Omnibus Operating Budget
Department of Labor and Industries
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	34,607	477,501	34,607	477,501	34,607	477,501
2005-07 Maintenance Level	35,773	479,695	35,773	479,695	35,773	479,695
Policy Changes:						
1. Middle Management Reduction	-50	-1,809	-50	-1,809	-50	-1,809
2. Mandatory Caseload Adjustments	3,329	4,867	3,329	4,867	3,329	4,867
3. General Inflation	-45	-1,332	-45	-1,332	-45	-1,332
4. Other Fund Adjustments	2,006	0	2,006	0	2,006	0
5. Indust Insur Injury Rpt (HB 1918)	0	0	0	550	0	550
6. Indust Ins Annual Audits (HB 1856)	0	0	0	316	0	316
7. Technical Issues	0	0	0	0	0	-125
8. Electrical Trainees (HB 1841)	0	0	0	0	0	134
9. Industrial Insur Benefits (HB 1732)	0	0	0	0	0	3,906
10. Older Mobile Homes (SHB 1393)	0	0	43	43	194	194
11. Medical Bill Paying - Self Insurers	0	0	0	142	0	142
12. Online Reporting & Customer Access	0	12,954	0	12,804	0	12,804
13. Self Insur Electronic Reporting *	0	1,399	0	1,399	0	1,399
14. Critical Safety and Health Data	0	1,727	0	1,727	0	1,727
15. COHE: Center of Occupational Health	0	441	0	805	0	805
16. Pesticide Handling and App Training	0	0	0	200	0	200
17. Medical Provider Fraud and Abuse	0	2,531	0	2,531	0	2,531
18. Employer Fraud Targeting Technology	0	3,602	0	0	0	0
19. Fraud Detection and Targeted Action	0	2,671	0	2,671	0	2,671
20. Workload Adjustment	0	-150	0	0	0	0
21. Family Leave Insurance	0	15,107	0	0	0	0
22. Homeowner Protection	202	202	0	0	0	0
23. Amusement Rides	0	48	0	0	0	0
24. Annual Audits-- Indust. Insur. Fund	0	316	0	0	0	0
25. Modifying Self-Insur Assessments	0	24	0	0	0	0
Total Policy Changes	5,442	42,598	5,283	24,914	5,434	28,980
Total 2005-07 Biennium	41,215	522,293	41,056	504,609	41,207	508,675
Difference from 2003-05	6,608	44,792	6,449	27,108	6,600	31,174

2005-07 Omnibus Operating Budget
Department of Labor and Industries
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
% Change from 2003-05	19.1%	9.4%	18.6%	5.7%	19.1%	6.5%

Comments:

- 1. Middle Management Reduction** - Middle management positions are reduced.

- 2. Mandatory Caseload Adjustments** - Funding is appropriated for increased Crime Victims Compensation (CVC) medical expenses. Sexual assault forensic exams are funded at worker's compensation rates; in-patient hospitalization at general assistance-unemployable (GAU); and all other medical at DSHS/Medicaid rates. (General Fund-State, PSEA-Federal)

- 3. General Inflation** - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

- 4. Other Fund Adjustments** - The agency's phase II cost allocation model and revised distribution of indirect costs is recognized. Allocation to the Public Works Administration Account is delayed until 2007. (General Fund-State, multiple funds)

- 5. Indust Insur Injury Rpt (HB 1918)** - Funding is provided to implement a Joint Legislative Audit and Review Committee recommendation regarding industrial insurance injuries pursuant to Substitute House Bill No. 1918 (implementing a recommendation of the joint legislative audit and review committee with regard to industrial insurance). If legislation is not enacted by June 30, 2005, the funding lapses. (Medical Aid Account; Accident Account)

- 6. Indust Ins Annual Audits (HB 1856)** - Funding is provided to implement Substitute House Bill 1856 (annual audits of the industrial insurance fund). If the bill is not enacted by June 30, 2005, the amounts provided in this subsection shall lapse. (Accident Account, Medical Aid Account)

- 10. Older Mobile Homes (SHB 1393)** - Funding is provided for the implementation of Substitute House Bill No. 1393 (older mobile homes). If legislation is not enacted by June 30, 2005, the funding lapses.

- 11. Medical Bill Paying - Self Insurers** - Funding is provided to add a position for to audit the of medical bill paying systems of self-insurers. (Medical Aid Account, Accident Account)

- 12. Online Reporting & Customer Access** - Funding is appropriated for L&I to complete phase II of the online reporting and customer access project (ORCA), to increase online services and information on workers' compensation claims for customers and use document imaging to replace paper-based systems. (Accident Account-State, Medical Aid Account-State)

2005-07 Omnibus Operating Budget

Department of Labor and Industries

April 23, 2005
12:57 pm

13. Self Insur Electronic Reporting * - Funding is appropriated for the department and the Washington Self-Insurers Association to implement HB 1310, which authorizes the department to develop a computer system to collect data from self-insured employers and create performance reports. The department will be reimbursed by self-insured employers for this project. (Accident Fund-State, Medical Aid Account-State)

14. Critical Safety and Health Data - Funding is appropriated for L&I to improve WIN, the workplace safety data system used by Washington Industrial Safety and Helath Act (WISHA) consultants. The improvement includes consolidating several computer systems, providing additional protection from system failure, and reducing ongoing system maintenance costs. (Accident Account-State, Medical Aid Account-State)

15. COHE: Center of Occupational Health - Funding is appropriated for the department to contract with the University of Washington's Centers of Occupational Health and Education (COHEs). COHEs provide medical treatment for employees injured on-the-job and offers employers training for developing return-to-work options for injured employees. The funding covers COHEs in Spokane, Renton, and two additional locations. One hundred additional doctors will be trained in current medical treatments for injured workers and return-to-work options for 2,100 injured workers. Fifty additional partner employers and 10 additional unions will be included in training. (Medical Aid Account-State)

16. Pesticide Handling and App Training - Funding is provided to reimburse the Department of Agriculture for the agriculture worker pesticide handling and application training program. (Accident Account-State)

17. Medical Provider Fraud and Abuse - Funding is appropriated for investigating medical provider fraud by increasing the number of medical bill audits and physician peer reviews. Five additional audit staff will be hired to do audits of medical provider bills each year, prepare the peer reviews, and contract with outside firms to do peer review and medical provider bill audits. Four additional physician peer reviews will be performed annually. (Medical Aid Account-State)

19. Fraud Detection and Targeted Action - Funding is appropriated for six FTEs, at mid-salary step, to investigate the underground electrical and construction industry and five FTEs to investigate worker fraud and abuse. Attorney General services will be contracted for anticipated increases in legal assistance. (Electrical License Account-State, Accident Account-State, Medical Aid Account-State)

2005-07 Omnibus Operating Budget
Indeterminate Sentence Review Board
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	1,974	1,974	1,974	1,974	1,974	1,974
2005-07 Maintenance Level	2,122	2,122	2,122	2,122	2,122	2,122
Policy Changes:						
1. General Inflation	-7	-7	-7	-7	-7	-7
Total Policy Changes	-7	-7	-7	-7	-7	-7
Total 2005-07 Biennium	2,115	2,115	2,115	2,115	2,115	2,115
Difference from 2003-05	141	141	141	141	141	141
% Change from 2003-05	7.1%	7.1%	7.1%	7.1%	7.1%	7.1%

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

2005-07 Omnibus Operating Budget
Home Care Quality Authority
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	2,207	2,207	2,207	2,207	2,207	2,207
2005-07 Maintenance Level	2,749	2,749	1,763	1,763	2,749	2,749
Policy Changes:						
1. General Inflation	-3	-3	-3	-3	-3	-3
2. Referral Registry Pilot (Phase 1)	180	1,214	180	1,214	180	1,214
3. New Agreement - HCQA Costs	58	58	58	58	58	58
Total Policy Changes	235	1,269	235	1,269	235	1,269
Total 2005-07 Biennium	2,984	4,018	1,998	3,032	2,984	4,018
Difference from 2003-05	777	1,811	-209	825	777	1,811
% Change from 2003-05	35.2%	82.1%	-9.5%	37.4%	35.2%	82.1%

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

2. Referral Registry Pilot (Phase 1) - Initiative 775, which established the Homecare Quality Authority and directed the state to collectively bargain with individual providers of homecare service, also directed the Authority to establish a registry of qualified homecare workers, and a system for linking workers with people in need of their services. A total of \$700,000 was expended during the 2003-05 biennium to design and develop a computer information system for the registry. The Authority proposes to phase in actual operations by contracting with local organizations in fourteen service delivery areas statewide. The organizations will be responsible for recruiting potential homecare providers, enrolling them on the database, processing consumer requests for workers, and sending the consumer a list of providers who match the consumer's needs and preferences. The Authority has obtained a federal grant to pay for the local referral registry function in four service delivery areas during the first 18 months of the 2005-07 biennium (Ferry, Mason, Pend Oreille, Snohomish, Spokane, Stevens, and Thurston counties). This item provides state funds to continue operations in those four areas during the last six months of the biennium. (General Fund-State, General Fund-Federal)

3. New Agreement - HCQA Costs - Under the proposed 2005-07 collective bargaining agreement between the state and individual providers of state-funded homecare services, the Authority will incur additional costs for safety program translation and mailings; for re-programming the referral registry to prioritize referrals for workers with more seniority; and for paying individual providers for hours spent participating in the joint labor/management training committee established by the agreement.

2005-07 Omnibus Operating Budget
Department of Health
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	155,914	780,897	155,914	780,897	155,914	780,897
2005-07 Maintenance Level	163,751	863,528	163,751	863,528	163,751	863,528
Policy Changes:						
1. Middle Management Reduction	-689	-2,036	-689	-2,036	-689	-2,036
2. Prescription Importation #	0	0	0	0	0	60
3. Marine Water Quality	700	1,300	700	1,300	700	1,300
4. General Inflation	-627	-1,224	-627	-1,224	-627	-1,224
5. Fircrest Infrastructure Reconf	177	177	0	0	0	0
6. Farmers Market Nutrition Program	0	0	250	250	250	250
7. Eastern WA Family Outreach Pilot	0	0	300	300	300	300
8. Precursor Drugs	0	0	0	268	0	474
9. Volunteer Medical Workers	0	0	0	0	0	125
10. Dental Residency Standards	0	0	0	80	0	0
11. Prescription Drug Reimportation	0	0	0	0	0	124
12. Hospital Survey Capability-18 Month	0	256	0	256	0	256
13. Integrated Licensing and Reg System	0	0	0	3,332	0	3,332
14. Infertility Prevention Project	0	0	200	200	200	200
15. Newborn Screening Clinic	0	0	0	462	0	462
16. Public Disclosure Request Increases	0	523	0	523	0	523
17. Patient Safety Practices	0	0	134	775	0	641
18. Physician Tax Credit Program	0	0	0	0	75	75
19. Children's Health Collaborative	25	25	25	25	155	155
20. Autism Task Force	38	38	38	38	0	0
21. Nursing Resource Center	0	652	0	452	0	452
22. Hepatitis C Surveillance	158	158	0	0	0	0
23. Breast and Cervical Cancer	0	1,000	0	0	0	0
24. Stem Cell Research	0	0	0	0	323	323
25. TB Testing - MTD	265	265	265	265	580	580
26. Combination Vaccines	0	0	0	0	168	168
27. WIC Caseload & Local Agency Support	0	368	0	368	0	368
28. Other Bills with State Fund Impact	0	0	149	149	0	0
29. Other Health Professions Bills	0	0	0	333	0	0
30. Mercury-Free Vaccines	0	0	168	168	0	0

2005-07 Omnibus Operating Budget
Department of Health
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
Total Policy Changes	47	1,502	913	6,284	1,435	6,908
Total 2005-07 Biennium	163,798	865,030	164,664	869,812	165,186	870,436
Difference from 2003-05	7,884	84,133	8,750	88,915	9,272	89,539
% Change from 2003-05	5.1%	10.8%	5.6%	11.4%	5.9%	11.5%

Comments:

1. Middle Management Reduction - Middle management positions are reduced.

3. Marine Water Quality - Failing septic systems are a significant threat to water quality and public health, particularly in shellfish areas. Twenty-two of Washington's ninety-six commercial shellfish growing areas are threatened with closure, and harvesting is prohibited at seven areas because of bacteriological contamination. Funding is provided to assist the fourteen local health jurisdictions with marine shorelines develop and implement management plans and data systems to assure that septic systems are properly inventoried, monitored, and maintained. (General Fund-State, Aquatic Lands Account-State)

4. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

6. Farmers Market Nutrition Program - Funding is provided to increase participation in the Women, Infants, and Children (WIC) Farmers' Market Nutrition Program. The program provides participants with vouchers for fresh fruits and vegetables and it is anticipated that the funding will expand the 2004 levels by 8,000 persons.

7. Eastern WA Family Outreach Pilot - Funding is provided for an additional family planning pilot project serving Franklin, Adams, Grant, Chelan, and Douglas counties. The project will target services to low-income women and men who are not likely to qualify for Medicaid services through the Department of Social and Health Services. The pilot project shall be designed to improve family planning services for at least 500 additional people in an area of the state with a large underserved population.

8. Precursor Drugs - Funding is provided to implement the provisions of Engrossed Substitute House Bill 2266 (precursor drugs) which restricts access to certain precursor drugs used to manufacture methamphetamine by limiting the sale of products that contain ephedrine, pseudoephedrine, or phenylpropanolamine. (Health Professions Account-State)

10. Dental Residency Standards - Funding is provided to implement Substitute House Bill 1689 (dental health services), which requires the Dental Commission to establish standards for evaluating the competency of post-doctoral dental students who serve residencies in low-income dental clinics. (Health Professions Account-State)

2005-07 Omnibus Operating Budget Department of Health

12. Hospital Survey Capability-18 Month - The Department of Health is unable to accomplish the current statutory requirement that all hospitals be inspected every 12 months, despite using limited surveys for hospitals with a good history of compliance with federal, state, and private accreditation standards. Meeting the twelve-month standard would require a roughly 60% increase in staffing and hospital licensing fees. The department is instead proposing a statutory change to require surveys every 18 months. Meeting the 18-month standard requires an approximately 20% increase in staffing and fees. (General Fund-local)

13. Integrated Licensing and Reg System - Funding is provided for the Department to purchase an automated replacement system for licensing and disciplinary activities to regulate health providers, facilities, and services. (General Fund-Private/Local, Health Professions Account-State)

14. Infertility Prevention Project - Funding is provided to implement effective prevention strategies to reduce the prevalence of chlamydia and gonorrhea.

15. Newborn Screening Clinic - Funding is provided to support specialty clinical care for children who are identified with one of the five disorders added to the newborn screening panel in 2003. Increased clinic care will result in an estimated \$3.10 increase in the fee charged for newborn specialty clinic care. (General Fund-Private/Local)

16. Public Disclosure Request Increases - Increased public awareness, and implementation in April 2003 of an internet-based system for searching for information related to a health care provider's license, has resulted in increased public disclosure requests for information on medical provider disciplinary cases. The department is authorized to expend funds from the Health Professions Account to respond more quickly to these disclosure requests. This will be accomplished by completing the conversion of case files to electronic formats to permit more rapid searches, and by adding temporary staff to eliminate the backlog in requests awaiting responses. (Health Professions Account-State)

17. Patient Safety Practices - Funding is provided to implement the provisions of Engrossed Second Substitute House Bill 1291 which enhances patient safety and medical error reduction efforts by (1) creating the Patient Safety Account from revenues associated with a \$2 surcharge on licenses for various health professions, \$2 charge per licensed bed for hospitals and psychiatric hospitals, and 1% of attorney fees for malpractice claims where the plaintiff prevails; (2) providing grants, loans, and other arrangements that support efforts to reduce medical errors and enhance patient safety; and (3) requiring health care facilities to report and the Department of Health to investigate adverse medical events. (General Fund-State, Patient Safety Account-State)

19. Children's Health Collaborative - Funding is provided for the Department of Health (DOH) and the Kids Get Care program of Public Health - Seattle and King County to continue to work in collaboration with local health care agencies to disseminate strategic interventions that are focused on evidence-based best practices for improving health outcomes in children and saving health care expenditures. This funding will be matched by at least \$50,000 of local funding.

20. Autism Task Force - Senate Bill 5311 establishes a 14-member task force to study and to make recommendations to the Governor and Legislature regarding the incidence and treatment of autism. Funding is provided for the Department of Health to staff the task force.

21. Nursing Resource Center - As provided in Senate Bill 5599 (nursing resource center), funding is provided to establish a non-profit center that will develop and implement strategies aimed at maintaining and increasing the supply of qualified nurses in the state. The center will be funded by a \$5.00 surcharge on the nursing home licensure fee. (Nursing Resource Center Account)

2005-07 Omnibus Operating Budget
Department of Health

25. TB Testing - MTD - Funding is provided to increase the state Public Health Laboratory's capacity to quickly identify suspected tuberculosis (TB) outbreaks, in two ways. First, funding is provided to more routinely conduct the new, faster Mycobacterium Tuberculosis Direct (MTD) test, which can be completed in six hours rather than two to four weeks, improving early intervention. Second, funding is provided to conduct federally-required genotyping of TB strains, which allows more accurate tracking, surveillance, and nationwide disease control. (General Fund-State)

27. WIC Caseload & Local Agency Support - Federal funds are provided to fulfill state-level responsibilities associated with caseload increases in the Women, Infant and Children (WIC) nutrition program. (General Fund-Federal)

28. Other Bills with State Fund Impact - Funds are provided for implementation of House Bill 1605 (soil contamination); House Bill 1951 (vision exams for children); and Senate Bill 5049 (mold in residential units).

29. Other Health Professions Bills - Funds are provided to implement House Bill 1075 (nursing quality commission); House Bill 1137 (physical therapy); Substitute House Bill 1168 (prescription reimportation); Substitute Senate Bill 5470 (prescription importation); and House Bill 1546 (naturopathic physicians). (Health Professions Account-State)

30. Mercury-Free Vaccines - Funding is provided for a two-year pilot under which a limited number of parents will have the option to choose vaccines that do not contain mercury. Total expenditures on the project are limited to \$168,000. (Health Services Account-State)

2005-07 Omnibus Operating Budget
Department of Veterans' Affairs
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	21,793	79,684	21,793	79,684	21,793	79,684
2005-07 Maintenance Level	22,877	83,510	22,877	83,510	22,877	83,510
Policy Changes:						
1. Targeted Vendor Rate	19	19	15	15	15	15
2. Medical Inflation Reduction	0	0	-338	-338	-338	-338
3. Middle Management Reduction	-214	-323	-214	-323	-214	-323
4. Eastern Washington Cemetery Study	25	25	25	25	25	25
5. Outreach for Returning Veterans	25	25	25	25	25	25
6. Post Traumatic Stress Syndrome	170	170	170	170	170	170
7. General Inflation	-237	-237	-237	-237	-237	-237
8. Veterans Conservation Corps	140	140	140	140	0	0
Total Policy Changes	-72	-181	-414	-523	-554	-663
Total 2005-07 Biennium	22,805	83,329	22,463	82,987	22,323	82,847
Difference from 2003-05	1,012	3,645	670	3,303	530	3,163
% Change from 2003-05	4.6%	4.6%	3.1%	4.1%	2.4%	4.0%

Comments:

1. Targeted Vendor Rate - Organizations that contract with the state to provide veterans post-traumatic stress disorder counseling will receive inflationary cost-of-living increases of 1.0 percent in July of each year.

3. Middle Management Reduction - Middle management positions are reduced.

4. Eastern Washington Cemetery Study - In conjunction with veterans' associations and local government officials, the Department of Veterans Affairs will conduct a feasibility study of a veterans' cemetery in eastern Washington. The study shall include location, acquisition costs, projection of continued operations costs, and revenue sources for acquisition and operations. A final report of the findings shall be submitted no later than December 15, 2005.

5. Outreach for Returning Veterans - Funding is provided for the development of a public service announcement outreach campaign directed at returning veterans from Operation Iraqi Freedom and Operation Enduring Freedom.

2005-07 Omnibus Operating Budget
Department of Veterans' Affairs

April 23, 2005
12:57 pm

6. Post Traumatic Stress Syndrome - The post-traumatic stress counseling program is expanded to address the needs of veterans returning from Iraq and Afghanistan.

7. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

8. Veterans Conservation Corps - Funding is provided for the Department of Veterans Affairs to assist with organization and development of the Veterans Conservation Corps established by Senate Bill 5539.

2005-07 Omnibus Operating Budget
Department of Corrections
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	1,271,650	1,280,106	1,271,650	1,280,106	1,271,650	1,280,106
2005-07 Maintenance Level	1,382,811	1,391,744	1,382,811	1,392,766	1,382,811	1,392,766
Policy Changes:						
1. Offender Management Network (OMNI)	0	0	11,250	11,250	22,500	22,500
2. Interstate Comp Misd Supervision #	822	822	822	822	822	822
3. Leases, Med Inflation and Equip Red	-3,000	-3,000	-3,946	-3,946	-3,946	-3,946
4. Targeted Vendor Rate Increase	1,174	1,174	972	972	972	972
5. 12-Month Partial Confine Low Risk #	0	0	0	0	-28,999	-28,999
6. Sent. Reduction - DNR Crew Partic #	0	0	0	0	-494	-494
7. Elim Supervision of Low Risk Misd #	-3,005	-3,005	-3,006	-3,006	-3,006	-3,006
8. Electronic Monitoring for Violators	-2,212	-2,212	-2,212	-2,212	-2,212	-2,212
9. Middle Management Reduction	-2,911	-2,926	-5,911	-5,926	-5,911	-5,926
10. Review Evidence-Based Purchasing	0	0	0	0	41	41
11. General Inflation	-4,000	-4,091	-4,000	-4,091	-4,000	-4,091
12. Identity Theft	0	0	0	0	591	591
13. Drug Offender Sentencing Alt	0	0	0	0	-1,663	-1,663
14. Performance Contract Reduction	0	0	-600	-600	-600	-600
15. Substance Abuse Treatment Funding	0	0	100	100	100	100
16. Inmate Property Shipping	-660	-660	-660	-660	-660	-660
17. Expand Correctional Industries	724	724	396	396	396	396
18. Delay Opening of New Units	-7,385	-7,385	-7,385	-7,385	-7,385	-7,385
19. Expand Girl Scouts/Moms Program	276	276	276	276	0	0
Total Policy Changes	-20,177	-20,283	-13,904	-14,010	-33,454	-33,560
Total 2005-07 Biennium	1,362,634	1,371,461	1,368,907	1,378,756	1,349,357	1,359,206
Difference from 2003-05	90,984	91,355	97,257	98,650	77,707	79,100
% Change from 2003-05	7.2%	7.1%	7.6%	7.7%	6.1%	6.2%

Comments:

2005-07 Omnibus Operating Budget Department of Corrections

1. Offender Management Network (OMNI) - Beginning in the 1999-01 biennium, the Department of Corrections (DOC) initiated a multi-phase project designed to replace its Offender-Based Tracking System (OBTS), which is the primary information system used by the Department to track and manage roughly 17,000 incarcerated offenders and 28,000 offenders in the community. Funding is provided for a portion of the third phase of the project to replace OBTS with the new Offender Management Network Information (OMNI) system, which is expected to reduce staff data entry efforts, improve reporting capabilities, and redirect staff time towards offender supervision. The total cost of the OMNI project has been estimated at \$58 million.

2. Interstate Comp Misd Supervision # - Funding is provided for the implementation of Substitute House Bill 1402 (offender travel and transfer), which authorizes the Department to supervise misdemeanants transferring to Washington pursuant to rules established by the Interstate Commission for Adult Offender Supervision. As a result of participating in the Interstate Compact for Adult Offender Supervision, offenders who move to another member state receive community supervision. In exchange, Washington receives notification of out-of-state offenders who need supervision and move into the state. It is assumed that about 200 out-of-state misdemeanants will need to be supervised by the Department during the 2005-07 biennium. The measure also authorizes DOC to serve as a clearinghouse for felony and nonfelony offenders transferring in and out of the state.

3. Leases, Med Inflation and Equip Red - Funding for lease, medical inflation, and equipment increases is eliminated.

4. Targeted Vendor Rate Increase - Funding is provided for contracted work-release facilities, chemical dependency treatment providers, and educational services providers to receive an inflationary vendor rate increase of 1.0 percent on July 1, 2005, and 1.0 percent on July 1, 2006.

5. 12-Month Partial Confine Low Risk # - Savings are achieved in accordance with House Bill 2016 (drug offender confinement), which expands the definition of "partial confinement" to include residential drug treatment and authorizes DOC to place offenders in partial confinement for up to the last 12 months of their sentence. Current law allows for partial confinement up to six months of qualifying offender sentences.

7. Elim Supervision of Low Risk Misd # - Savings are achieved in accordance with Substitute Senate Bill 5256 (misdemeanors), which applies the same supervision criteria to offenders convicted of misdemeanors and gross misdemeanors as are currently applied to persons convicted of felonies. Chapter 379, Laws of 2003 (ESSB 5990), relieved the Department of Corrections of supervision responsibilities for certain low- to moderate-risk felons, but did not change statutory requirements to supervise misdemeanants sentenced in Superior Court. These changes are expected to result in the elimination of community supervision for an average 2,523 low- to moderate-risk misdemeanants during the 2005-07 biennium.

8. Electronic Monitoring for Violators - Savings are assumed in conjunction with the enactment of House Bill 1136 (electronic monitoring system), as amended by the Senate, which would create a one-year pilot project using electronic monitoring in lieu of jail or prison sanction time when a low-risk offender violates the terms of their community supervision. The one-time savings assumes that 100 low-risk offenders per day will be on electronic monitoring rather than incarcerated.

9. Middle Management Reduction - Statewide, the number of middle management positions will be reduced by 1,000 positions by the end of the biennium. The reductions are phased in over the entire two year period. Funds are reduced to reflect the portion of the reduction attributable to this agency.

2005-07 Omnibus Operating Budget Department of Corrections

April 23, 2005
12:57 pm

10. Review Evidence-Based Purchasing - Funding is provided for the Agency Medical Directors' Group (AMDG) conduct a pilot to improve the member agencies capability to obtain and evaluate scientific evidence regarding evolving health care procedures, services, and technology. Participating agencies include the Health Care Authority, Department of Social and Health Services Medical Assistance Administration, Department of Labor and Industries, Department of Corrections, and Department of Veterans' Affairs. The cost of the project is split among the agencies, based on the proportion of state health expenditures.

11. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

12. Identity Theft - Funding is provided for the implementation of House Bill 1966 (identity theft), which classifies identity theft as a crime against a person and reduces the amount of early release time such offenders may earn from 50 percent to 33 percent of the sentence imposed. Additionally, an average of 35 offenders sentenced for identity theft will now be subject to community supervision by virtue of being convicted of a crime against a person.

14. Performance Contract Reduction - Funding for the interlocal agreement between DOC and Peninsula College for the establishment of a Performance Institute is reduced. The Performance Institute provides the Department with internal consultation and designs, develops, implements, monitors, and evaluates DOC staff and organizational performance initiatives and products. Funding for instructional support and curriculum design and development is preserved.

15. Substance Abuse Treatment Funding - DOC receives federal funds through the Department of Community, Trade and Economic Development for a Residential Substance Abuse Treatment (RSAT) grant. It is expected that the amount of RSAT funding available to DOC will be reduced. Funding of \$100,000 is provided to backfill the expected loss in federal funding and retain the current program service level.

16. Inmate Property Shipping - Funding is reduced in accordance with HB 2282 (transporting offender property), which authorizes the DOC to determine the types and amounts of offender property that the Department will transport between institutions or to other jurisdictions at the agency's expense. In January 2005, the state Supreme Court, in *Burton et al. v. Lehman*, held that the Department's policy of transporting only two boxes of inmate property free of charge when an offender transfers from one location to another violated a state statute. HB 2282 provides the necessary statutory authority for the DOC to resume its former policy.

17. Expand Correctional Industries - Funding is provided to purchase equipment necessary to expand Class II Correctional Industries and maintain overall offender employment levels. Improvements at the Monroe Correctional Complex will result in the consolidation of laundry services and increase production at the facility print shop. Other equipment purchases will expand and maintain industries at the Pine Lodge Corrections Center, Stafford Creek Corrections Center, and State Penitentiary.

18. Delay Opening of New Units - The budget assumes a one-time savings by delaying by four months the move of 892 offenders into units currently under construction at the State Penitentiary. Offenders would occupy the units beginning in August of 2007, rather than in April of 2007, and would either remain in current Penitentiary housing or in out-of-state rental beds. Savings are realized as a result of delaying the significant start-up costs of opening the 892 new units. Construction delays have already occurred at this site.

19. Expand Girl Scouts/Moms Program - Funding is provided for the current Girl Scouts Beyond Bars program to continue to serve female offenders and their daughters. The recent conversion of Pine Lodge Pre-Release facility in Spokane to a female facility has increased the travel costs for the program, which has operated until now in western Washington with donations and some funding from offender contributions. The Girl Scouts Beyond Bars program provides girls with interactions with their incarcerated mothers, providing an incentive for female offenders to prepare for reentry to society.

2005-07 Omnibus Operating Budget
Department of Services for the Blind
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	3,554	19,790	3,554	19,790	3,554	19,790
2005-07 Maintenance Level	3,719	20,489	3,719	20,489	3,719	20,489
Policy Changes:						
1. Middle Management Reduction	-20	-88	-16	-88	-16	-88
2. General Inflation	-9	-55	-9	-55	-9	-55
3. Caseworker Ratio & Service Costs	76	360	76	360	76	360
4. Vendor Rate Increase	3	3	0	0	0	0
Total Policy Changes	50	220	51	217	51	217
Total 2005-07 Biennium	3,769	20,709	3,770	20,706	3,770	20,706
Difference from 2003-05	215	919	216	916	216	916
% Change from 2003-05	6.0%	4.6%	6.1%	4.6%	6.1%	4.6%

Comments:

1. Middle Management Reduction - Statewide, the number of middle management positions will be reduced by 1,000 positions by the end of the biennium. The reductions are phased in over the entire two year period. Funds are reduced to reflect the portion of the reduction attributable to this agency.

2. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

3. Caseworker Ratio & Service Costs - Funding is provided for (1) the addition of one vocational rehabilitation counselor in FY 2007; and (2) increased case service costs.

2005-07 Omnibus Operating Budget
Sentencing Guidelines Commission
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	1,491	1,491	1,491	1,491	1,491	1,491
2005-07 Maintenance Level	1,676	1,676	1,676	1,676	1,676	1,676
Policy Changes:						
1. General Inflation	-8	-8	-8	-8	-8	-8
2. Fiscal Note Simulation Software	13	13	13	13	13	13
Total Policy Changes	5	5	5	5	5	5
Total 2005-07 Biennium	1,681	1,681	1,681	1,681	1,681	1,681
Difference from 2003-05	190	190	190	190	190	190
% Change from 2003-05	12.7%	12.7%	12.7%	12.7%	12.7%	12.7%

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

2. Fiscal Note Simulation Software - One-time funding is provided for an agency request item to improve the Commission's ability to produce caseload impact projections necessary for the development of fiscal notes on criminal justice legislation. The Sentencing Guidelines Commission prepares fiscal impact statements on sentencing legislation that impacts institutional caseloads in county jails and state prisons.

2005-07 Omnibus Operating Budget
Department of Employment Security
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	0	538,687	0	538,687	0	538,687
2005-07 Maintenance Level	0	521,648	0	521,648	0	521,648
Policy Changes:						
1. Middle Management Reduction	0	-1,898	0	-1,898	0	-1,898
2. General Inflation	0	-1,367	0	-1,367	0	-1,367
3. Readiness for Active Directory	0	2,087	0	2,087	0	2,087
4. Reduce State Choice Functions	0	0	0	0	0	-4,578
5. Port Jobs Program	0	0	120	120	120	120
6. Minimum Wage Study	37	37	0	0	0	0
7. Administrative Contingencies Transf	0	9,016	0	0	0	0
Total Policy Changes	37	7,875	120	-1,058	120	-5,636
Total 2005-07 Biennium	37	529,523	120	520,590	120	516,012
Difference from 2003-05	37	-9,164	120	-18,097	120	-22,675
% Change from 2003-05	0.0%	-1.7%	0.0%	-3.4%	0.0%	-4.2%

Comments:

1. Middle Management Reduction - Middle management positions are reduced.

2. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

3. Readiness for Active Directory - The budget provides appropriation authority for one-time use of Reed Act funds to purchase information technology infrastructure components necessary to allow the department to participate in the state's Department of Information Services' managed Enterprise Active Directory network. This includes replacing and upgrading desktop personal computers and laptops to meet the minimum standards for Active Directory software. (Unemployment Compensation Administration Account--Federal)

5. Port Jobs Program - Funding is provided for two FTEs to assist first generation immigrants find employment through the Port Jobs Program at the Port of Seattle.

2005-07 Omnibus Operating Budget
Department of Social and Health Services
Children and Family Services
(Dollars in Thousands)

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	475,492	899,560	475,492	899,560	475,492	899,560
2005-07 Maintenance Level	507,451	933,509	507,451	933,509	507,451	933,509
Policy Changes:						
1. Homecare Worker Wages	419	827	419	827	419	827
2. Eliminate Secure Crisis Residential	0	0	0	0	-9,344	-9,344
3. Lease, Med. Inflation and Equip Red	-632	-922	-632	-922	-632	-922
4. Targeted Vendor Rate Increase	7,198	10,242	5,955	8,473	5,955	8,473
5. Middle Management Reduction	-706	-1,037	-706	-1,037	-706	-1,037
6. General Inflation	-460	-1,056	-460	-1,056	-460	-1,056
7. VOCA Transfer to CTED	0	-14,642	0	-14,642	0	-14,642
8. Kids Come First, Phase II	0	0	0	0	8,500	12,057
9. Enhanced Child Welfare Services	0	0	3,500	5,000	5,800	8,286
10. Adoption Grant Enhancement	0	357	0	357	0	357
11. IT Infrastructure Needs	0	0	0	0	5,282	8,803
12. Children's Advocacy Centers	650	650	355	355	60	60
13. Chemical Dependency Specialists	1,144	2,288	1,144	2,288	0	0
14. CPS/Child Welfare Services Reform	0	0	10,189	14,559	0	0
15. Guardianship of Children (2030)	0	0	0	0	-465	0
16. Education Coordinators	0	0	900	1,300	1,300	1,300
17. Regional Crisis Residential Centers	0	0	-1,712	-1,712	0	0
18. Improve Foster Care Outcomes	1,733	2,476	0	0	0	0
19. Reduce Repeat Neglect	1,661	2,373	0	0	0	0
20. Out-of-Home CPS Investigations	490	699	0	0	0	0
21. Foster and Adoption Cost Management	-6,178	-9,483	-5,006	-7,785	0	0
Total Policy Changes	5,319	-7,228	13,946	6,005	15,709	13,162
Total 2005-07 Biennium	512,770	926,281	521,397	939,514	523,160	946,671
Difference from 2003-05	37,278	26,721	45,905	39,954	47,668	47,111
% Change from 2003-05	7.8%	3.0%	9.7%	4.4%	10.0%	5.2%

2005-07 Omnibus Operating Budget
Department of Social and Health Services
Children and Family Services

Comments:

1. Homecare Worker Wages - In accordance with RCW 74.39A.300, the Governor must submit, as a part of the proposed biennial operating budget submitted to the Legislature, a request for funds necessary to implement compensation and fringe benefits provisions of collective bargaining agreements negotiated between the Governor and the exclusive bargaining representative of individual providers of home care services. This year, the negotiation process went into interest arbitration. Funding is provided for the purposes of implementing the interest arbitration award. The arbitration settlement award increases the wages of individual providers from \$8.93 per hour to \$9.20 per hour in FY 2006, and to an average of \$9.45 per hour in FY 2007. It also provides state contributions for health care coverage, vision, and dental benefits that will average \$506 per eligible worker per month in the 2005-07 biennium and paid vacation leave for every 50 hours worked in FY 2007. The funding for the arbitration award includes the Office of Financial Management, Home Care Quality Authority, and the Department of Social and Health Services' (DSHS) Children and Family Services, Developmental Disabilities, Aging and Adult Services, and Administration and Supporting Services Programs. (General Fund-State, General Fund-Federal)

3. Lease, Med. Inflation and Equip Red - This item eliminates funding for actual and anticipated increases associated with lease renewals, medical inflation, and equipment replacement. (General Fund-State, General Fund-Federal)

4. Targeted Vendor Rate Increase - Funding is provided for a vendor rate increase of 1 percent on July 1, 2005, and 1 percent on July 1, 2006. (General Fund-State, General Fund-Federal, Public Safety and Education Account-State, Violence Reduction and Drug Enforcement Account-State)

5. Middle Management Reduction - Statewide, the number of middle management positions will be reduced by 1,000 positions by the end of the biennium. The reductions are phased in over the entire two year period. Funds are reduced to reflect the portion of the reduction attributable to this agency. (General Fund-State, General Fund-Federal)

6. General Inflation - Agencies are required to find efficiencies in their operations sufficient to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (General Fund-State, General Fund-Federal)

7. VOCA Transfer to CTED - The Governor reassigned administration of the Victims of Crime Act (VOCA) grant from the Department of Social and Health Services (DSHS) to the Department of Community, Trade and Economic Development (CTED) on April 1, 2004. This package transfers expenditure authority from DSHS to CTED in accordance with this reassignment. (General Fund-Federal)

9. Enhanced Child Welfare Services - Funding is provided to implement provisions of Substitute Senate Bill 5922 (child neglect). If this bill is not enacted by June 30, 2005, these amounts shall lapse. (General Fund-State, General Fund-Federal)

10. Adoption Grant Enhancement - Funding was awarded to the Children's Administration for meeting adoption goals. This one-time adoption incentive award must be expended for allowable costs for the federal Adoption Incentive Payments program. (General Fund-Federal)

2005-07 Omnibus Operating Budget
Department of Social and Health Services
Children and Family Services

12. Children's Advocacy Centers - Children's Advocacy Centers facilitate a multi-disciplinary approach toward the investigation and prosecution of child abuse allegations. Funding in the amount of \$177,000 in FY 2006 and \$178,000 in FY 2007 may be used for children's advocacy centers. This funding may also be used for the state association of children's advocacy centers. A 50 percent match is required of children's advocacy centers receiving funding.

13. Chemical Dependency Specialists - Funding is provided to implement the requirement of SB 5763 that chemical dependency specialist services be offered in each Children's Administration field office. The CA will contract for services and funding is expected to cover the costs for approximately 22 full-time equivalents. (General Fund-State, General Fund-Federal)

14. CPS/Child Welfare Services Reform - Funding is provided for an additional 123.9 FTEs, including 84.3 social workers, 10.5 supervisors, 15.8 office staff and 13.3 headquarter and quality assurance and training staff to implement child protective services/child welfare services reform. Child protective services workers will investigate emergent cases within 24 hours and non-emergent cases within 72 hours for accepted referrals. Child welfare services workers will have face-to-face contact with children, parents and/or caregivers every thirty days. This funding supports the goals of the Federal Program Improvement Plan, the Braam Lawsuit settlement, and assists in addressing the findings of recent fatality reviews. (General Fund-State, General Fund-Federal)

16. Education Coordinators - Funding is provided for contracted education coordinators to assist foster children succeed in the K12 and higher education systems. (General Fund-State, General Fund-Federal)

17. Regional Crisis Residential Centers - Funding is reduced by \$856,000 per year for regional crisis residential centers. Savings will be achieved by modifying contracts which guarantees a minimum payment of \$1,000 per month. Sufficient funding is provided to meet the minimum payment, current utilization levels, and an additional 15 percent for improved utilization. (Public Safety and Education Account-State)

21. Foster and Adoption Cost Management - Funding is provided for a vendor rate increase for foster care and adoption support of 1.0% in FY 2006 and 1.0% in FY 2007. This item removes a portion of the additional increase in the cost per foster care and adoption support placement that was projected to occur in the maintenance level mandatory caseload adjustment. The Children's Administration will take the necessary steps to ensure that the average cost per case remains within this funding level. (General Fund-State, General Fund-Federal)

2005-07 Omnibus Operating Budget
Department of Social and Health Services
Juvenile Rehabilitation
(Dollars in Thousands)

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	184,509	199,174	184,509	199,174	184,509	199,174
2005-07 Maintenance Level	192,542	205,025	192,542	205,025	192,542	205,025
Policy Changes:						
1. Lease, Med. Inflation and Equip Red	0	0	-1,675	-1,675	-1,675	-1,675
2. Targeted Vendor Rate Increase	1,153	1,264	953	1,045	953	1,045
3. Middle Management Reduction	-470	-540	-470	-540	-470	-540
4. General Inflation	-318	-318	-318	-318	-318	-318
5. Expanding Evidence Based Svcs	897	1,121	0	0	0	0
6. Consolidated Juv Svcs Utilization	0	0	0	0	-951	-951
7. Maintain Co-Occurring Disorders Pgm	1,428	1,428	1,428	1,428	0	0
8. Disposition Alt Utilization	0	0	-594	-594	0	0
9. Bed Savings-Juv. Disp. Alternatives	-744	-744	-744	-744	0	0
10. Payments to Counties-Juv. Disp. Alt	736	736	744	744	0	0
11. Reinvesting in Youth Program	0	0	997	997	0	997
Total Policy Changes	2,682	2,947	321	343	-2,461	-1,442
Total 2005-07 Biennium	195,224	207,972	192,863	205,368	190,081	203,583
Difference from 2003-05	10,715	8,798	8,354	6,194	5,572	4,409
% Change from 2003-05	5.8%	4.4%	4.5%	3.1%	3.0%	2.2%

Comments:

1. Lease, Med. Inflation and Equip Red - Funding for lease increases, medical inflation, and equipment replacement costs is eliminated.

2. Targeted Vendor Rate Increase - Funding is provided for an inflationary vendor rate increase of 1.0 percent on July 1, 2005, and 1.0 percent on July 1, 2006. (General Fund-State, General Fund-Federal, Violence Reduction and Drug Enforcement Account-State)

3. Middle Management Reduction - Statewide, the number of middle management positions will be reduced by 1,000 positions by the end of the biennium. The reductions are phased in over the entire two year period. Funds are reduced to reflect the portion of the reduction attributable to this agency. (General Fund-State, General Fund-Federal, Juvenile Accountability Incentive Account-Federal)

2005-07 Omnibus Operating Budget
Department of Social and Health Services
Juvenile Rehabilitation

4. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

7. Maintain Co-Occurring Disorders Pgm - State funding is provided to replace a loss of federal funding used to run the Family Integrated Transitions (FIT) program for juvenile offenders with co-occurring substance abuse and mental health disorders in King, Snohomish, Pierce, and Kitsap counties. The FIT program begins treatment in the institutions and continues for up to six months after release, involving the family and a therapeutic team. The pilot program was evaluated by the Washington State Institute for Public Policy and was shown to have a 13 percent reduction in the rate of recidivism, and \$3.15 in benefits to taxpayers and victims per each dollar of cost.

8. Disposition Alt Utilization - Funding to local counties for the implementation of two disposition alternatives is reduced to more closely reflect actual expenditures on these programs. During the first eight months of FY 2005, total Juvenile Rehabilitation Administration expenditures on the Consolidated Juvenile Services (CJS) program have been 5.5 percent below budgeted levels. Roughly half of the expenditure variance is attributable to fewer than expected juvenile offenders being adjudicated under the sentencing alternatives established pursuant Chapter 378, Laws of 2003, Partial Veto (ESSB 5903), which established a Suspended Disposition Alternative and a Mental Health Disposition Alternative.

9. Bed Savings-Juv. Disp. Alternatives - The Senate budget assumes a reduction in the average daily population of offenders of nine in FY 2006 and twelve in Fiscal year 2007. These youth will be kept on local disposition alternatives under Senate Bill 5719 (community commitment) and Senate Bill 5502 (juvenile sentencing). Savings are assumed at the marginal bed rate, with assumptions that a certain number of youth will be revoked by the local court and committed to JRA. Over time, population and dollar savings may increase, depending on utilization and contract costs with counties.

10. Payments to Counties-Juv. Disp. Alt - The budget assumes passage of two local disposition alternatives: Senate Bill 5719 (community commitment) and Senate Bill 5502 (juvenile sentencing). Total funding reflects projected payments to counties for parole, research-based therapies, detention time, and assessments. The cost of the disposition alternatives is anticipated to be fully offset by savings in state facilities, shown above.

11. Reinvesting in Youth Program - Juvenile Violence Prevention grant funding is transferred from the Governor's Juvenile Justice Advisory Committee to the Juvenile Rehabilitation Administration for the establishment of a reinvesting in youth pilot program that awards grants to counties for implementing research-based early intervention services that target juvenile justice involved youth and reduce crime. The Washington State Institute for Public Policy has identified several programs that, if properly implemented, are likely to reduce taxpayer and other costs in the future. During the 2005-07 biennium, a pilot program consisting of three counties or groups of counties will test methods for reinvesting state savings that result from local investments in evidence-based services for juvenile justice involved youth.

2005-07 Omnibus Operating Budget
Department of Social and Health Services
Mental Health
(Dollars in Thousands)

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	663,067	1,254,828	663,067	1,254,828	663,067	1,254,828
2005-07 Maintenance Level	731,154	1,324,826	731,154	1,324,826	731,154	1,324,826
Policy Changes:						
1. Lease, Med. Inflation and Equip Red	-367	-564	-2,469	-3,448	-4,512	-6,053
2. Targeted Vendor Rate Increase	8,864	14,378	6,942	12,456	6,942	11,501
3. Middle Management Reduction	-1,120	-1,488	-1,120	-1,488	-1,120	-1,488
4. Children's Medical Premiums	358	716	358	716	358	716
5. Eligibility Reviews	2,001	4,002	2,001	4,002	2,001	4,002
6. General Inflation	-970	-1,270	-970	-1,270	-970	-1,270
7. CLIP Rate Adjustment	1,350	2,698	1,350	2,698	1,350	2,698
8. Community Psych Hospital Rate Adj	6,497	6,625	6,497	6,625	6,497	6,625
9. Transition Treatment for Children	1,075	1,816	1,075	1,816	1,075	1,816
10. Non-Medicaid Services-Community	77,600	0	75,400	-2,200	65,400	-12,200
11. State Hospital Forensic Services	7,885	9,339	7,400	8,724	6,951	8,869
12. Pharmacy Staffing	377	493	377	493	753	984
13. Evaluation and Treatment	539	539	539	539	539	539
14. Chemical Dependency Trtmt Expansion	0	0	0	0	-4,150	-8,301
15. Integrated Crisis Response Pilots	43	80	43	80	0	0
16. Personal Needs Allowance Increase	0	0	38	50	38	50
17. Regional Support Network RFP (1290)	0	0	150	190	150	190
18. Supplemental Nursing Care	0	0	700	700	0	0
19. Integrated Assessment	356	661	356	661	0	0
20. Efficiencies in Ancillary Costs	-550	-550	-550	-550	-550	-550
21. Adjust Mitigation Funding-SCTF	-510	-510	-510	-510	-510	-510
Total Policy Changes	103,428	36,965	97,607	30,284	80,242	7,618
Total 2005-07 Biennium	834,582	1,361,791	828,761	1,355,110	811,396	1,332,444
Difference from 2003-05	171,515	106,963	165,694	100,282	148,329	77,616
% Change from 2003-05	25.9%	8.5%	25.0%	8.0%	22.4%	6.2%

2005-07 Omnibus Operating Budget
Department of Social and Health Services
Mental Health

Comments:

1. Lease, Med. Inflation and Equip Red - This item eliminates funding for actual and anticipated increases associated with lease renewals, medical inflation, and equipment replacement. (General Fund-State, General Fund-Private/Local, General Fund-Federal)

2. Targeted Vendor Rate Increase - In order to meet federal Medicaid requirements, the Mental Health Division will adopt a new set of federally-approved, actuarially-sound rate ranges for Medicaid managed care payments for community mental health services, effective July 1, 2005. Because those rate ranges are not yet available, it is not known whether the rates currently anticipated to be in effect during the FY 2005-07 biennium will fall within the rate bounds and, therefore, whether funds provided for Medicaid community mental health services will be sufficient to ensure compliance in each of the four managed care rate categories and across all regional support networks. In the event that amounts provided are insufficient to comply with the new rate ranges, this vendor rate increase shall be selectively applied to those rate areas which are out of compliance. Any remaining amounts will be applied uniformly across rate categories and regional support networks. (General Fund-State, General Fund-Federal)

3. Middle Management Reduction - Statewide, the number of middle management positions will be reduced by 1,000 positions by the end of the biennium. The reductions are phased in over the entire two year period. Funds are reduced to reflect the portion of the reduction attributable to this agency. (General Fund-State, General Fund-Federal)

4. Children's Medical Premiums - Funding is provided to continue to provide premium-free medical and dental coverage for children with family incomes between 150 and 200 percent of the federal poverty level, which is approximately \$1,900 - \$2,600 per month for a family of three. Families within that income range would pay monthly premiums of \$10 per child, up to a maximum of \$30 per family, beginning in July 2005. (General Fund-State, General Fund-Federal)

5. Eligibility Reviews - Additional funding is provided for the Department to: (1) restore annual eligibility verification for children's and family medical coverage; and (2) once eligible, allow clients to maintain coverage for a full year regardless of income changes during the eligibility period that make the child ineligible for coverage. The changes are expected to result in approximately 25,000 more children remaining on the medical assistance caseload per month by the end of FY 2007. (General Fund-State, General Fund-Federal)

6. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (General Fund-State, General Fund-Federal)

7. CLIP Rate Adjustment - Payment rates for the Children's Long-Term Inpatient Program (CLIP) residential treatment facilities are increased by 25 percent. The CLIP facilities provide inpatient treatment for children with severe psychiatric impairments who cannot be adequately served in less restrictive settings. (General Fund-State, General Fund-Federal)

8. Community Psych Hospital Rate Adj - The number of community hospital beds available for short-term, emergency treatment of persons committed under the Involuntary Treatment Act (ITA) decreased 12 percent between 2000 and 2004. The budget provides funding to increase the non-Medicaid payment rate to \$400 per day for treatment of medically indigent patients in hospitals that accept ITA patients. This is an approximately 40 percent increase in the non-Medicaid payment rate for such hospitals. No increase is provided for hospitals that do not accept ITA patients, or whose base non-Medicaid payment rate exceeds \$400 per day. In addition, the Medicaid payment rate is to be increased to a minimum of \$550 per day for free-standing psychiatric hospitals that accept ITA patients. (General Fund-State, General Fund-Federal)

2005-07 Omnibus Operating Budget
Department of Social and Health Services
Mental Health

9. Transition Treatment for Children - Funding is provided to implement an evidence-based model under which children with intensive therapeutic needs will be served in foster homes that receive special funding, training, and support. The model will serve 18 children per month, with foster homes clustered in three geographic areas that presently have few or no other children's long-term treatment options. Every attempt is to be made to keep children in or close to their home community, as support and reintegration into their natural or adoptive family is a central goal of model implementation. Availability of this model is expected to provide opportunities for diversions and transitions from more expensive and intensive placements, such as community hospitals and children's long-term inpatient facilities. (General Fund State, General Fund-Federal)

10. Non-Medicaid Services-Community - Under new federal rules and policies, the state's community mental health system is no longer able to use savings achieved through Medicaid managed care for people who, and services that, are not otherwise eligible for Medicaid. The budget provides state revenues to replace 85% of the lost federal funding. Two-thirds of "non-Medicaid" community mental health funding is expended on crisis and commitment, community hospitalization, and residential care for people with acute or chronic mental illness. The rest is spent on limited outpatient care, medications, and medication monitoring for over 25,000 children and adults, most of whom have very low incomes and serious mental impairments, but who cannot, or have not yet, qualified for Medicaid. (General Fund-State, General Fund-Federal)

11. State Hospital Forensic Services - Funding is provided for additional psychiatrists and psychologists to conduct outpatient evaluations of competency to stand trial and to open an additional legal offender ("forensic") ward at Western State Hospital. The state psychiatric hospitals are legally responsible for evaluating competency to stand trial, for providing treatment to restore competency for defendants judged incompetent for trial, and for providing supervision and ongoing treatment for defendants found not guilty by reason of insanity. Steady increases in the demand for these services has exceeded the hospitals' capacity to complete required evaluations within acceptable timeframes. The additional state hospital ward is needed to comply with federal court rulings that competency restoration must begin within a week of judicial order. The additional outpatient evaluators will reduce the time defendants are in jail awaiting evaluation and treatment, and will reduce the need for inpatient evaluations at the state hospitals, allowing that resource to be used for the more severely impaired citizens in need of treatment. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

12. Pharmacy Staffing - Funding is provided so that pharmacy services can be available at Eastern and Western State Hospitals during evening and weekend hours. This will prevent delays in filling medication orders and maintain compliance with hospital accreditation standards. (General Fund-State, General Fund-Private/Local, General Fund-Federal)

13. Evaluation and Treatment - Funding is provided for one-time start-up costs of two evaluation and treatment facilities, which will provide community-based alternatives for persons experiencing a psychiatric emergency that would otherwise require inpatient treatment in a community or state hospital bed. The start-up funding will cover staff recruitment, training, and organizational costs prior to initiation of direct client services. Funding for ongoing program operations will come from existing funds that would otherwise be expended upon short-term treatment in state or community hospitals.

15. Integrated Crisis Response Pilots - Funding is provided for the mental health system's implementation of the integrated crisis response provisions of Senate Bill 5763 (substance abuse and mental disorders). The mental health program will train county-designated chemical dependency specialists in mental health involuntary treatment act protocols so that they may function as crisis responders in the two integrated crisis response pilot sites established in the bill. (General Fund-State, General Fund-Federal)

16. Personal Needs Allowance Increase - Funding is provided to increase the personal needs allowance from \$41.62 per month to \$51.62 per month for an average of 12,200 publicly-funded clients residing in institutional settings, including residents of nursing facilities, residential habilitation centers, and state mental hospitals. Institutionalized clients who receive a state supplemental payment (SSP) to their social security income in lieu of a personal needs allowance will receive a commensurate \$10 per month increase in their SSP benefit. (General Fund-State, General Fund-Federal)

2005-07 Omnibus Operating Budget
Department of Social and Health Services
Mental Health

17. Regional Support Network RFP (1290) - Funds are provided for the Mental Health Division to implement the competitive bid process for the selection of regional support networks required by House Bill 1290 (community mental health). If this bill is not implemented by July 1, 2005, these amounts shall lapse. (General Fund-State, General Fund-Federal)

19. Integrated Assessment - Funding is provided for implementation within the community mental health system of the integrated assessment provisions of Substitute Senate Bill 5763 (mental and substance abuse disorders treatment). Specific activities will include development of a single, integrated tool and protocol that will be used by all state-funded mental health and substance abuse treatment providers to screen and assess for co-occurring mental and substance abuse disorders; and training for community mental health system staff on use of that tool and protocol. (General Fund-State, General Fund-Federal)

20. Efficiencies in Ancillary Costs - Funding is reduced to reflect amounts for utility increases and some minor repairs related to Special Commitment Center facility costs on McNeil Island. Funding is also eliminated for three new FTEs that provide non-medical, non-clinical services, such as resident store management and custodial services. The agency added these FTEs in FY 2005 prior to receiving sufficient legislative appropriation. The agency will need to cover these positions and facility expenses by finding efficiencies that do not affect services for residents.

21. Adjust Mitigation Funding-SCTF - Funding is adjusted for Pierce County and some Pierce County cities. Funding for law enforcement training has been provided since FY 2001 as mitigation for the siting of a Secure Community Transition Facility on McNeil Island. This funding was not intended to be ongoing mitigation, and training has already been provided for several years. In the last two years, the Department has not been able to expend all of the funds due to an insufficient number of contracts with local governments. (Separate from this reduction, \$45,000 per year in funding for the City of Lakewood for police services to Western State Hospital is maintained in the Mental Health Division, as this is an ongoing expense.)

2005-07 Omnibus Operating Budget
Department of Social and Health Services
Developmental Disabilities
(Dollars in Thousands)

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	681,958	1,323,530	681,958	1,323,530	681,958	1,323,530
2005-07 Maintenance Level	733,924	1,394,358	733,924	1,394,358	733,924	1,394,358
Policy Changes:						
1. Homecare Worker Wages	10,055	19,847	10,055	19,847	10,055	19,847
2. Homecare Agency Rate Increase	635	1,235	635	1,235	635	1,235
3. Homecare Agency Supplemental Comp	0	0	130	260	130	260
4. Lease, Med. Inflation and Equip Red	-1,556	-3,011	-1,556	-3,011	-1,556	-3,011
5. Targeted Vendor Rate Increase	7,472	13,550	6,166	11,205	6,166	11,205
6. Boyle/Arc Lawsuit Settlement	1,841	3,381	0	0	0	0
7. Middle Management Reduction	-552	-881	-552	-881	-552	-881
8. General Inflation	-564	-1,237	-564	-1,237	-564	-1,237
9. Case Management Support	0	0	1,187	2,374	1,187	2,374
10. Community Protection	1,368	2,736	2,138	4,276	2,138	4,276
11. Basic/Basic Plus Waiver Growth	0	0	-750	250	-500	500
12. Personal Needs Allowance Increase	0	0	120	240	120	240
13. Flexible Family Funding	0	0	2,500	2,500	2,900	2,900
14. Licensed Professional Services	0	0	100	100	100	100
15. RHC Efficiencies	-1,680	-3,360	-1,680	-3,360	-1,680	-3,360
16. Administrative Rate Standardization	2,000	4,000	2,000	4,000	2,000	4,000
17. Expand Community Services	2,142	4,284	2,142	4,284	2,700	5,400
18. Expand Employment and Day Services	2,235	2,980	2,889	4,108	2,889	4,108
19. Increase Family Support	1,680	1,680	0	0	0	0
20. State Supplemental Payment Transfer	3,109	3,109	3,109	3,109	3,109	3,109
Total Policy Changes	28,185	48,313	28,069	49,299	29,277	51,065
Total 2005-07 Biennium	762,109	1,442,671	761,993	1,443,657	763,201	1,445,423
Difference from 2003-05	80,151	119,141	80,035	120,127	81,243	121,893
% Change from 2003-05	11.8%	9.0%	11.7%	9.1%	11.9%	9.2%

2005-07 Omnibus Operating Budget
Department of Social and Health Services
Developmental Disabilities

Comments:

1. Homecare Worker Wages - In accordance with RCW 74.39A.300, the Governor must submit, as a part of the proposed biennial operating budget submitted to the Legislature, a request for funds necessary to implement compensation and fringe benefit provisions of collective bargaining agreements negotiated between the Governor and the exclusive bargaining representative of individual providers of home care services. This year, the negotiation process went into interest arbitration. Funding is provided for the purposes of implementing the interest arbitration award. The arbitration settlement award: increases the wages of individual providers from \$8.93 per hour to \$9.20 per hour in FY 2006, and to an average of \$9.45 per hour in FY 2007; provides state contributions for health care coverage, vision, and dental benefits that will average \$506 per eligible worker per month in the 2005-07 biennium; and provides paid vacation leave for every 50 hours worked in FY 2007. The funding for the arbitration award includes the Office of Financial Management, Home Care Quality Authority, and the Department of Social and Health Services' (DSHS) Children and Family Services, Developmental Disabilities, Aging and Adult Services, and Administration and Supporting Services Programs. (General Fund State, General Fund Federal)

2. Homecare Agency Rate Increase - Funding is provided to increase payments to agency providers of home care services so that compensation for direct care workers employed by home care agencies will receive the same rate increase provided to individual home care workers. (General Fund-State, General Fund-Federal)

3. Homecare Agency Supplemental Comp - Funding is provided to DSHS for additional supplemental compensation increases for direct care workers employed by home care agencies. In order to be eligible for such increases, home care agencies will submit proof of a legally binding, written commitment to increase the compensation of agency home care workers, proof of the existence of a method of enforcement of the commitment that is available to the employees or their representative, and proof that such a method is expeditious, uses a neutral decision maker, and is economical for the employees. (General Fund-State, General Fund-Federal)

4. Lease, Med. Inflation and Equip Red - Funding for actual and anticipated increases associated with lease renewals, medical inflation, and equipment replacement is eliminated. (General Fund-State, General Fund-Federal)

5. Targeted Vendor Rate Increase - Funding is provided for an inflationary vendor rate increase of 1.0 percent on July 1, 2005, and an additional 1.0 percent on July 1, 2006. This increase applies to residential care, family support, professional services, employment and day programs, voluntary foster care placement and other community programs. Based on the results of the Department's rate standardization study, agency supportive living providers that receive administrative payments above the median payment will not receive an inflationary increase on administrative payments and instead those funds will be directed to providers whose administrative payments fall below the median. (General Fund-State, General Fund-Federal)

7. Middle Management Reduction - Statewide, the number of middle management positions will be reduced by 1,000 positions by the end of the biennium. The reductions are phased in over the entire two-year period. Funds are reduced to reflect the portion of the reduction attributable to this agency. (General Fund-State, General Fund-Federal)

8. General Inflation - Agencies are required to find efficiencies in their operations sufficient to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (General Fund-State, General Fund-Federal)

2005-07 Omnibus Operating Budget
Department of Social and Health Services
Developmental Disabilities

9. Case Management Support - Funding is provided for the Department to develop an integrated case management information system, which will provide case resource managers with a single source of information about client needs and resources. The system will integrate the functions of assessment, care planning, case monitoring, incident reporting, and quality assurance, and will link to systems in other departments. Additional case resource managers are also funded to ensure that the department can assess all clients in a timely and consistent manner. (General Fund-State, General Fund-Federal)

10. Community Protection - Funding is provided for expanded community services for 35 clients who are: (1) being diverted or discharged from state psychiatric hospitals; (2) participants in the Dangerous Mentally Ill Offender program; (3) participants in the Community Protection program; or (4) mental health crisis diversion outplacements. In order to increase the number of clients served and ensure the cost-effectiveness of the waiver programs, the Department will strive to limit new client placement expenditures to 90 percent of the budgeted daily rate. If this can be accomplished, additional clients may be served with excess funds, provided the total projected carryforward expenditures do not exceed those currently projected. (General Fund-State, General Fund-Federal)

11. Basic/Basic Plus Waiver Growth - Additional waiver slots are prioritized for clients who are currently receiving state-only funded services and who could benefit from the service package offered on the Basic or Basic Plus waiver. The services that these clients are currently receiving through state-only funds are at a level that exceeds the normal purpose or average cost of that particular service, and would be more cost-effective to provide through a home and community-based waiver program. To the extent that the Department saves state funds in excess of those budgeted, additional clients may be served provided the total projected carry-forward expenditures do not exceed those currently projected. (General Fund-State, General Fund-Federal)

12. Personal Needs Allowance Increase - Funding is provided to increase the personal needs allowance from \$41.62 per month to \$51.62 per month for an average of 12,200 publicly-funded clients residing in institutional settings, including residents of nursing facilities, residential habilitation centers, and state mental hospitals. Institutionalized clients who receive a state supplemental payment (SSP) to their social security income in lieu of a personal needs allowance will receive a commensurate \$10 per month increase in their SSP benefit. (General Fund-State, General Fund-Federal)

13. Flexible Family Funding - Funding is provided for a pilot program that provides flexible family support funds to families who are providing care and support for family members with developmental disabilities. The funds are targeted to families who have a documented need for services, are not currently receiving services from the Division of Developmental Disabilities, and have gross household income at or below 400 percent of poverty (\$64,360 per year for a family of three). Priority will be given to individuals in crisis or at immediate risk of needing institutional services; individuals who transition from high school without employment or day program opportunities; individuals cared for by a single parent; and individuals with multiple disabilities. Awards will be made as one-time awards or on a renewable basis and can be used to purchase support services such as respite care, training and counseling, assistive technologies, and transition services, as well as assistance with extraordinary household expenses. It is anticipated that approximately 1,400 families will receive assistance as a result of this funding.

14. Licensed Professional Services - Funding is provided for the Department to continue to offer licensed professional services, including dental services, medical and nursing services, psychology and behavioral services, and rehabilitative services, at the state residential habilitation centers to clients who are served in community settings.

15. RHC Efficiencies - During the last two biennia, occupancy in the residential habilitation centers (RHCs) has decreased, while staffing levels have remained relatively constant. It is anticipated that savings can be achieved by reducing staff and other expenditures at the institutions to be more reflective of the current census and minimum national standards and/or federal requirements. (General Fund-State, General Fund-Federal)

2005-07 Omnibus Operating Budget
Department of Social and Health Services
Developmental Disabilities

16. Administrative Rate Standardization - Funding is provided to increase administrative rates paid to supported living agency providers who are currently receiving payments less than the standardized rate recently developed by the Department. Providers who are receiving payments above the standard will be held at their current rate and will not receive an inflationary increase on the administrative portion of their rate. (General Fund-State, General Fund-Federal)

17. Expand Community Services - Funding is provided for community residential and support services for a minimum of 39 clients, which is one percent growth. Priority consideration for these placements shall be as follows: (1) children who are aging out of other state services; (2) clients without residential services who are in crisis or immediate risk of needing an institutional placement, including aging parents who are no longer able to care for their children; and (3) current waiver clients who have been assessed as having an immediate need for residential services or increase support services. In order to increase the number of clients served and ensure the cost effectiveness of the waiver programs, the Department will strive to limit new client placement expenditures to 90 percent of the budgeted daily rate. Money not spent on new clients may be used to cover service costs of existing waiver clients, including the costs of employment and day services. In addition, if excess funds are available, additional clients may be served as long as the total projected carryforward expenditures do not exceed those currently projected. (General Fund-State, General Fund-Federal)

18. Expand Employment and Day Services - Funding is provided for employment and day services to approximately 600 clients with developmental disabilities. Priority consideration for this new on-going funding will be young adults with developmental disabilities living with their families who need employment opportunities and assistance after high school graduation. Services will be provided for both home- and community-based waiver program clients and non-waiver clients. Federal funds may be used to enhance this funding for clients already receiving services from a home- and community-based waiver program. (General Fund-State, General Fund-Federal)

20. State Supplemental Payment Transfer - The Division of Developmental Disabilities has identified additional allowable expenditures that can qualify for State Supplemental Payments. Funds are transferred from the Economic Services Administration to the Division of Developmental Disabilities.

2005-07 Omnibus Operating Budget
Department of Social and Health Services
Long-Term Care
(Dollars in Thousands)

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	1,122,561	2,343,212	1,122,561	2,343,212	1,122,561	2,343,212
2005-07 Maintenance Level	1,208,058	2,468,994	1,204,243	2,460,968	1,208,058	2,468,906
Policy Changes:						
1. Homecare Worker Wages	16,719	33,006	16,719	33,006	16,719	33,006
2. Homecare Worker Tax Withholding	152	294	152	294	152	294
3. Nursing Home Rate Changes	10,268	20,462	10,986	21,892	4,470	8,906
4. Nursing Home Tax Phase-Out	-7,701	-15,346	-4,657	-9,281	0	0
5. Homecare Agency Rate Increase	4,300	8,605	4,300	8,605	4,308	8,606
6. Homecare Agency Supplemental Comp	0	0	870	1,740	870	1,740
7. Lease, Med. Inflation and Equip Red	-111	-217	-111	-217	-111	-217
8. Targeted Vendor Rate Increase	7,005	13,417	5,227	9,929	5,227	9,929
9. Long Term Care Financing Task Frc #	0	291	199	397	199	397
10. Middle Management Reduction	-866	-1,329	-866	-1,329	-866	-1,329
11. Estate Recovery	-4,600	-9,200	-4,600	-9,200	-4,600	-9,200
12. General Inflation	-180	-398	-180	-398	-180	-398
13. Respite Compensation Increase	0	352	0	352	0	352
14. Specialized Dementia Care Program	0	0	101	202	101	202
15. Chemical Dependency Trtmt Expansion	-2,959	-5,918	-3,437	-6,874	-4,343	-8,686
16. Personal Needs Allowance Increase	0	0	1,232	2,456	1,232	2,456
17. Reduce AAA Funding	0	0	-1,413	-2,826	-2,828	-5,656
18. Kinship Navigator Program	0	0	200	200	300	300
19. Supplemental Nursing Care	698	821	0	0	0	0
20. Senior Drug Information	75	75	0	0	0	0
21. Farmers Market Nutrition	500	500	682	682	682	682
Total Policy Changes	23,300	45,415	25,404	49,630	21,332	41,384
Total 2005-07 Biennium	1,231,358	2,514,409	1,229,647	2,510,598	1,229,390	2,510,290
Difference from 2003-05	108,797	171,197	107,086	167,386	106,829	167,078
% Change from 2003-05	9.7%	7.3%	9.5%	7.1%	9.5%	7.1%

2005-07 Omnibus Operating Budget
Department of Social and Health Services
Long-Term Care

Comments:

1. Homecare Worker Wages - Funding is provided to implement the compensation components of the 2005-07 collective bargaining agreement between the state and the approximately 22,000 individuals who contract with it to provide homecare services to children and adults with disabilities. Specific elements of the 2005-07 compensation agreement include hourly wage increases averaging 26 cents each year of the biennium; monthly payments for medical benefits averaging \$475 per covered individual per month; monthly payments for dental and vision benefits averaging \$31 per covered individual per month; and one hour of paid vacation leave for every 50 worked. This item shows the cost of the compensation increases that will be incurred in the long-term care program. The budget shows a lower expenditure in this item than proposed by the Governor because it appropriates to a different branch of DSHS the \$1.6 million payment the state has been ordered to make to the Service Employees International Union to compensate for a delay in the completion of computer programming necessary to deduct union dues. In addition to the funds appropriated here, \$28.3 million is appropriated in the Children's Services, the Developmental Disabilities, and the central Administration branches of the department for implementation of the 2005-07 agreement. (General Fund State, General Fund Federal)

2. Homecare Worker Tax Withholding - Under the collective bargaining agreement between the state and the Service Employees International Union, the Department of Social and Health Services will be responsible for withholding federal income taxes from payments to individuals who contract with it to provide homecare services. Staffing is provided for the Aging and Disability Services Administration to coordinate accurate and timely submission of federal tax withholding forms by the 22,000 individuals affected by this change. (General Fund-State, General Fund-Federal)

3. Nursing Home Rate Changes - Nursing home rates are increased by the equivalent of 1.3 percent each year, the same increase as provided hospitals and physicians. (General Fund-State, General Fund-Federal)

4. Nursing Home Tax Phase-Out - The budget provides for a phased elimination of the nursing home quality maintenance fee that was levied in 2003. Effective July 2005, the tax will be reduced to \$5.25 per patient day. This will result in a similar reduction in the portion of the nursing home payment rate that covers the cost of the fee on behalf of state-funded patients. (General Fund-State, General Fund-Federal)

5. Homecare Agency Rate Increase - Funding is provided so that workers employed by private agencies that contract with the state to provide homecare services can receive the same wage increase as awarded to individual providers. (General Fund-State, General Fund-Federal)

6. Homecare Agency Supplemental Comp - Funding is provided to DSHS for additional supplemental compensation increases for direct care workers employed by home care agencies. In order to be eligible for such increases, home care agencies will submit proof of a legally binding, written commitment to increase the compensation of agency home care workers, proof of the existence of a method of enforcement of the commitment that is available to the employees or their representative, and proof that such a method is expeditious, uses a neutral decision maker, and is economical for the employees. (General Fund-State, General Fund-Federal)

7. Lease, Med. Inflation and Equip Red - This item eliminates funding for actual and anticipated increases associated with lease renewals, medical inflation, and equipment replacement. (General Fund-State, General Fund-Federal)

2005-07 Omnibus Operating Budget
Department of Social and Health Services
Long-Term Care

8. Targeted Vendor Rate Increase - Organizations that contract with the state to provide long-term care services will receive inflationary cost-of-living adjustments of 1.0 percent in July of each year. This increase applies to adult family homes, assisted living facilities, and other community residential facilities; to Area Agency on Aging case management services; to adult day health and private duty nursing providers; and to the homecare agency administrative rate. (General Fund-State, General Fund-Federal)

9. Long Term Care Financing Task Frc # - In accordance with Second Substitute House Bill 1220 (long-term care financing), funding is provided to the Department of Social and Health Services to contract for professional services to support the work of the Joint Legislative and Executive Task Force on Long-Term Care Financing and Chronic Care Management. (General Fund-State, General Fund-Federal)

10. Middle Management Reduction - Middle management positions are reduced.

11. Estate Recovery - The Department of Social and Health Services will increase efforts to recover the cost of publicly-funded care from the estates of deceased Medicaid recipients. Specific changes anticipated include earlier initiation of probate proceedings, improved notification of a client's death, and the statutory authority to place liens on the property of clients whose condition is such that discharge is not likely. (General Fund-State, General Fund-Federal)

12. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

13. Respite Compensation Increase - Additional federal Family Caregiver Support funding is expected to be available to cover the impact on the respite care services program of the 2004 and 2005 increases in homecare worker wage rates. (General Fund-Federal)

14. Specialized Dementia Care Program - Funding is provided to expand the number of boarding homes that receive exceptional care rates for persons with Alzheimer's disease and related dementias who might otherwise require nursing home care. The Department may expand the number of licensed boarding home facilities that specialize in caring for such conditions by up to 85 beds in FY 2006 and up to 150 beds in FY 2007. These additional dementia boarding home placements are expected to delay resident placements into nursing facilities. (General Fund-State, General Fund-Federal)

15. Chemical Dependency Trtmt Expansion - The number of aged and disabled medical assistance recipients receiving alcohol and drug treatment will double by Fiscal Year 2007. Based upon research by the Department of Social and Health Services, this is expected to result in reduced medical assistance and long-term care expenditures sufficient to offset at least 80 percent of the short-term cost of the treatment expansion. (General Fund-State, General Fund-Federal)

16. Personal Needs Allowance Increase - Funding is provided to increase the personal needs allowance from \$41.62 per month to \$51.62 per month for an average of 12,200 publicly-funded clients residing in institutional settings, including residents of nursing facilities, residential habilitation centers, and state mental hospitals. Institutionalized clients who receive a state supplemental payment (SSP) to their social security income in lieu of a personal needs allowance will receive a commensurate \$10 per month increase in their SSP benefit. (General Fund-State, General Fund-Federal)

2005-07 Omnibus Operating Budget
Department of Social and Health Services
Long-Term Care

17. Reduce AAA Funding - State funding for Area Agencies on Aging (AAAs) is reduced by approximately 3.75 percent, beginning July 1, 2005. The state contracts with the AAAs to provide case management and nurse oversight for persons who receive in-home care services. (General Fund-State, General Fund-Federal)

18. Kinship Navigator Program - Funding is provided for AAAs, or entities with which AAAs contract, to provide kinship navigator services to grandparents and other kinship caregivers of children. Kinship navigator services shall include, but not be limited to, assisting kinship caregivers with understanding and navigating the system of services for children in out-of-home care while reducing barriers faced by kinship caregivers when accessing services. In providing kinship navigator services, AAAs will give priority to helping kinship caregivers maintain their caregiving role by helping them access existing services and supports, thus keeping children from entering foster care.

21. Farmers Market Nutrition - Over the past two years, funds available from a one-time lawsuit settlement have enabled significantly more seniors with incomes below 185 percent of the federal poverty level to shop at farmers markets. State funds are provided to replace the one-time settlement funds that have now been depleted.

2005-07 Omnibus Operating Budget
Department of Social and Health Services
Economic Services Administration
(Dollars in Thousands)

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	888,399	2,133,588	888,399	2,133,588	888,399	2,133,588
2005-07 Maintenance Level	953,006	2,233,113	953,006	2,233,113	953,006	2,233,113
Policy Changes:						
1. School Readiness Assistance	527	527	0	0	0	0
2. Lease, Med. Inflation and Equip Red	-1,203	-1,848	-1,203	-1,848	-1,203	-1,848
3. Targeted Vendor Rate Increase	25,766	26,236	25,766	26,236	9,673	9,973
4. Limit GAU Eligibility	-18,010	-18,010	0	0	0	0
5. Improve GA-U Client Outcomes	0	0	-18,010	-18,010	-18,010	-18,010
6. Middle Management Reduction	-1,014	-1,559	-1,014	-1,559	-1,014	-1,559
7. Children's Medical Premiums	-1,902	-3,396	-1,902	-3,396	-1,902	-3,396
8. Eligibility Reviews	-2,127	-4,075	-2,127	-4,075	-2,127	-4,075
9. Children's Health Program	0	0	3,473	3,473	3,473	3,473
10. Technical Corrections	-1,760	-1,760	0	0	0	0
11. General Inflation	-2,008	-8,100	-2,008	-8,100	-2,008	-8,100
12. Replace TANF MOE Funds	15,000	15,000	15,000	15,000	15,000	15,000
13. Predictive Dialer Project	-105	-132	-105	-132	-105	-132
14. Naturalization Services	0	0	1,000	1,000	1,000	1,000
15. LEP Services Enhancement	0	0	1,500	1,500	1,500	1,500
16. Child Care Career Wage Ladder	2,000	2,000	0	0	0	0
17. State Supplemental Payment Transfer	-3,109	-3,109	-3,109	-3,109	-3,109	-3,109
Total Policy Changes	12,055	1,774	17,261	6,980	1,168	-9,283
Total 2005-07 Biennium	965,061	2,234,887	970,267	2,240,093	954,174	2,223,830
Difference from 2003-05	76,662	101,299	81,868	106,505	65,775	90,242
% Change from 2003-05	8.6%	4.7%	9.2%	5.0%	7.4%	4.2%

Comments:

2. Lease, Med. Inflation and Equip Red - This item eliminates funding for actual and anticipated increases associated with lease renewals, medical inflation, and equipment replacement. (General Fund-State, General Fund-Federal)

2005-07 Omnibus Operating Budget
Department of Social and Health Services
Economic Services Administration

3. Targeted Vendor Rate Increase - Funding is provided for a vendor rate increase of 1 percent on July 1, 2005, and 1 percent on July 1, 2006. This increase applies to family child care and child care centers, other client services and services provided for child support enforcement by local government. The funding level is based on annual inflation estimates. An additional \$4.5 million is added in FY 2006 and \$9.5 million in FY 2007 for child care provider rates, including \$500,000 per year for the Spokane MSA and \$500,000 per year for tiered-reimbursement pilot projects. (General Fund-State, General Fund-Federal)

5. Improve GA-U Client Outcomes - Within funds provided to the Economic Services Administration for the General Assistance-Unemployable (GA-U) program, the Department will improve employment outcomes for GA-U clients with short-term disabilities. Savings will result from a reduced length of stay on the GA-U program for those clients receiving targeted services. Strategies which may be used include increased: (1) naturalization efforts; (2) coordination with other systems (social security and veteran's); (3) managed care GA-U medical services; (4) mental health, vocational rehabilitation and employment support; and (5) new short-term medication-only transitional assistance for individuals who are able to obtain employment but need consistent access to medication to remain employable.

6. Middle Management Reduction - Statewide, the number of middle management positions will be reduced by 1,000 positions by the end of the biennium. The reductions are phased in over the entire two year period. Funds are reduced to reflect the portion of the reduction attributable to this agency. (General Fund-State, General Fund-Federal)

7. Children's Medical Premiums - Funding is provided to continue to provide premium-free medical and dental coverage for children with family incomes between 150 and 200 percent of the federal poverty level, which is approximately \$1,900 - \$2,600 per month for a family of three. Families within that income range would pay monthly premiums of \$10 per child, up to a maximum of \$30 per family, beginning in July 2005. (General Fund-State, General Fund-Federal)

8. Eligibility Reviews - Additional funding is provided for the Department to: (1) restore annual eligibility verification for children's and family medical coverage; and (2) once eligible, allow clients to maintain coverage for a full year regardless of income changes during the eligibility period that make the child ineligible for coverage. The changes are expected to result in approximately 25,000 children remaining on the medical assistance caseload by the end of FY 2007. (General Fund-State, General Fund-Federal)

9. Children's Health Program - Funding is provided for health care coverage for undocumented children whose families have incomes below 100 percent of the federal poverty level. The "state-only" program that provided medical and dental coverage was eliminated in October 2002 and enrollment was offered through the Basic Health program. It is anticipated that 8,750 children will be provided health care coverage through this program by the end of the biennium. The Department will manage enrollment to keep program expenditures at or below the appropriated level.

10. Technical Corrections - This technical correction transfers funding from the Economic Services to the Medical Assistance program to provide ongoing funding for the "Safe Babies/Safe Moms" program. This program provides substance abuse treatment and family support services for Medicaid-eligible pregnant and parenting women who are currently abusing alcohol or drugs, or judged at serious risk of doing so.

11. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

12. Replace TANF MOE Funds - \$7.5 million from the state general fund is provided in FY 2006 and FY 2007 to meet federally required Temporary Assistance for Needy Families (TANF) maintenance of effort (MOE) requirements.

2005-07 Omnibus Operating Budget
Department of Social and Health Services
Economic Services Administration

13. Predictive Dialer Project - Funding is provided to the Division of Child Support to purchase a predictive dialer system, which will interface with the telephone and the Support Enforcement Management System mainframe. Savings reflects the estimated growth in collections that would result from the automated system. (General Fund-State, General Fund-Federal)

14. Naturalization Services - Funds are provided to increase naturalization services, with priority for services given to clients of the General Assistance-Unemployable and General Assistance-Aged programs who are candidates for naturalization.

15. LEP Services Enhancement - \$1.5 million is provided for programs that serve individuals with limited English proficiency (LEP). This amount will supplement existing state and federal funds in the Economic Services Administration's base budget which are dedicated to LEP services.

17. State Supplemental Payment Transfer - The Division of Developmental Disabilities has identified additional allowable expenditures for SSP funds. These funds are transferred to that program.

2005-07 Omnibus Operating Budget
Department of Social and Health Services
Alcohol and Substance Abuse
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	132,534	236,227	132,534	236,227	132,534	236,227
2005-07 Maintenance Level	133,290	244,284	133,290	244,284	133,290	244,284
Policy Changes:						
1. Problem Gambling	0	1,500	0	1,500	0	1,500
2. Lease, Med. Inflation and Equip Red	0	0	-20	-24	-20	-24
3. Targeted Vendor Rate Increase	2,553	4,145	2,114	3,433	2,114	3,433
4. Middle Management Reduction	-366	-469	-366	-469	-366	-469
5. General Inflation	-112	-262	-112	-262	-112	-262
6. Chemical Dependency Trtmt Expansion	25,337	39,673	21,075	32,952	18,788	29,282
7. Expand Alcohol/Drug Trtmt for Youth	5,045	6,726	5,045	6,726	5,045	6,726
8. Rate Increase for Residential	2,000	2,000	5,000	5,000	2,000	2,000
9. Integrated Crisis Response Pilots	6,194	6,194	6,194	6,194	0	0
10. Intensive Case Management Pilots	488	488	488	488	0	0
11. Safe Mother/Babies Sustainable Fund	0	0	1,760	3,200	1,760	3,200
12. Integrated Assessment	299	460	299	460	0	0
Total Policy Changes	41,438	60,455	41,477	59,198	29,209	45,386
Total 2005-07 Biennium	174,728	304,739	174,767	303,482	162,499	289,670
Difference from 2003-05	42,194	68,512	42,233	67,255	29,965	53,443
% Change from 2003-05	31.8%	29.0%	31.9%	28.5%	22.6%	22.6%

Comments:

1. Problem Gambling - Appropriation authority is provided to resume and expand the Department's program to prevent and treat problem and pathological gambling. House Bill 1031 (problem gambling) creates the Problem Gambling Treatment Account and funds treatment services with revenues from taxes on private-sector gambling revenue and a set-aside of Lottery proceeds. If the bill is not enacted by June 30, 2005, this amount shall lapse. (Problem Gambling Treatment Account-State)

2. Lease, Med. Inflation and Equip Red - The Department is expected to achieve efficiencies sufficient to offset actual and anticipated increases in leases, medical inflation, and equipment replacement. (General Fund-State, General Fund-Federal)

2005-07 Omnibus Operating Budget
Department of Social and Health Services
Alcohol and Substance Abuse

3. Targeted Vendor Rate Increase - Funding is provided for a vendor rate increase of 1.0 percent on July 1, 2005, and 1.0 percent on July 1, 2006. Vendor rates are to be prioritized in the Division of Alcohol and Substance Abuse to residential treatment providers. To the extent that these increases, combined with residential rate increases below, are sufficient to maintain adequate residential capacity, the Division may prioritize remaining funds for rate increases for other kinds of providers. (General Fund-State, General Fund-Federal, Public Safety and Education Account-State, Violence Reduction and Drug Enforcement Account-State)

4. Middle Management Reduction - Statewide, the number of middle management positions will be reduced by 1,000 positions by the end of the biennium. The reductions are phased in over the entire two year period. Funds are reduced to reflect the portion of the reduction attributable to this agency. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

5. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

6. Chemical Dependency Trtmt Expansion - Alcohol and drug treatment service levels are significantly expanded for adults with chemical dependency problems, consistent with the intent of SB 5763 (mental disorders treatment). The treatment expansion will be phased in over the biennium so that by FY 2007 the level of treatment for adult SSI-related aged, blind, and disabled and General Assistance-Unemployable (GA-U) clients will double (increase by 100 percent). Current service levels will be increased by 50 percent for individuals receiving TANF. In total, approximately 11,800 more treatment slots will be available by FY 07, an increase over the FY 03 level of 15,500.

Based on the results of a 2002 cost offset study by the DSHS Research and Data Analysis Division, and with additional input from the Joint Legislative Audit and Review Committee, the budget assumes that the treatment expansion for SSI and GA-U clients will result in cost offsets in medical assistance and long-term care of \$16.5 million in General Fund-State and \$14.7 million in General Fund-Federal during the FY 2005-07 biennium due to reduced utilization of nursing homes and medical services.

The funding level shown also includes a \$745,000 to expand the parent-child assistance program (PCAP) to southwestern Washington. PCAP provides referral and case management services to pregnant and parenting women who are chemically dependent or who are at risk of substance abuse. (General Fund-State, General Fund-Federal)

7. Expand Alcohol/Drug Trtmt for Youth - In addition to the expansion in services to adults above, funding is provided for substance abuse treatment to serve an additional 1000 youth per year who are under 200 percent of the federal poverty level. (General Fund-State, General Fund-Federal)

8. Rate Increase for Residential - Funding is provided for supplemental vendor rate increases to residential chemical dependency treatment providers. An August 2004 Residential Rate Study suggests that current reimbursement rates fall well short of the cost of providing residential services. A rate adjustment will ensure that the Department of Social and Health Services (DSHS) can continue to attract and retain qualified providers for these services and avoid potential closure of residential programs. (General Fund-State)

9. Integrated Crisis Response Pilots - Funding is provided pursuant to SB 5763, to implement two cross-systems crisis responder pilots that utilize an integrated involuntary treatment act approach. If SB 5763 is not enacted by June 30, 2005, then this amount shall lapse.

2005-07 Omnibus Operating Budget
Department of Social and Health Services
Alcohol and Substance Abuse

10. Intensive Case Management Pilots - Funding is provided pursuant to SB 5763, to implement two intensive chemical dependency case management pilots. If SB 5763 is not enacted by June 30, 2005, then this amount shall lapse.

11. Safe Mother/Babies Sustainable Fund - The Safe Babies/Safe Moms program is for Medicaid-eligible pregnant and parenting women identified as "at serious risk for, or currently using" alcohol or substances. A women may be enrolled during pregnancy or anytime before her youngest child turns three years old. Funding is added to the Division of Alcohol and Substance Abuse budget to continue providing this service. (General Fund-State, General Fund-Federal)

12. Integrated Assessment - Funding is provided to develop an integrated mental health/substance abuse screening and assessment tool to be used by the Mental Health Division and Division of Alcohol and Substance Abuse in DSHS. Funding also covers training and quality assurance. If SB 5763 is not enacted by June 30, 2005, then this amount shall lapse. (General Fund-State, General Fund-Federal)

2005-07 Omnibus Operating Budget
Department of Social and Health Services
Medical Assistance Payments
(Dollars in Thousands)

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	3,077,544	7,262,631	3,077,544	7,262,631	3,077,544	7,262,631
2005-07 Maintenance Level	3,705,199	8,029,814	3,705,623	8,032,071	3,705,623	8,032,071
Policy Changes:						
1. Targeted Vendor Rate Increase	36,437	60,321	33,995	61,112	38,881	70,078
2. Middle Management Reduction	-793	-1,970	-793	-1,970	-793	-1,970
3. Estate Recovery	-1,150	-2,300	-1,150	-2,300	-1,150	-2,300
4. Children's Medical Premiums	11,351	22,702	11,351	22,702	11,351	22,702
5. Eligibility Reviews	32,776	66,241	32,776	66,241	32,776	66,241
6. Children's Health Program	0	0	9,405	10,293	9,405	10,293
7. Increase Trauma Payments	0	0	0	0	0	1,000
8. Hospital Payment Study	225	450	225	450	225	450
9. Review Evidence-Based Purchases	0	0	0	0	206	413
10. Expand Drug Cost Management	-6,768	-12,571	-3,739	-6,907	-6,768	-12,571
11. Patients Requiring Review	-5,334	-10,668	-5,334	-10,668	-5,334	-10,668
12. MAA Forecast	0	323	0	323	0	323
13. General Inflation	-622	-4,064	-622	-4,064	-622	-4,064
14. Non-Medicaid Services-Community	4,600	0	4,600	0	4,600	0
15. End Stage Renal Disease Mgmt	0	0	0	0	-458	-916
16. Chemical Dependency Trtmt Expansion	-11,478	-21,119	-13,027	-24,240	-16,386	-30,330
17. IGT Design	-47,163	-335,144	-47,163	-335,144	-47,163	-335,144
18. Medical Nutrition Scope of Coverage	-2,584	-5,167	-2,584	-5,167	-2,584	-5,167
19. School Ad-Match	-123	-18,244	-123	-18,244	-123	-18,244
20. MAA Relocation	594	1,188	594	1,188	594	1,188
21. Safe Mother/Babies Sustainable Fund	1,760	3,200	0	0	0	0
22. Medical Equipment Cost Management	-4,179	-8,354	-4,179	-8,354	-4,179	-8,354
23. Increased Rebates and Recoveries	0	0	-7,145	-14,290	0	0
24. Newborn Screening Clinic	0	0	100	100	100	200
25. Drug Co-Pay	-8,159	-14,937	0	0	-8,159	-14,937
26. Transportation Co-Pay	-5,367	-10,734	0	0	-5,367	-10,734
Total Policy Changes	-5,977	-290,847	7,187	-268,939	-948	-282,511
Total 2005-07 Biennium	3,699,222	7,738,967	3,712,810	7,763,132	3,704,675	7,749,560

2005-07 Omnibus Operating Budget
Department of Social and Health Services
Medical Assistance Payments
(Dollars in Thousands)

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
Difference from 2003-05	621,678	476,336	635,266	500,501	627,131	486,929
% Change from 2003-05	20.2%	6.6%	20.6%	6.9%	20.4%	6.7%

Comments:

1. Targeted Vendor Rate Increase - Funding is provided for a 1.0 percent inflationary cost-of-living increase in July of each year for organizations and individuals that contract with the state to provide medical assistance services. Hospitals will receive a larger increase, totalling 1.3 percent each year. Hospital rate increases are to be distributed on a non-standard basis, so that hospitals whose current rates are farthest below the statewide average will receive more than the average increase, while those with rates higher than the average receive less. In addition to the standard vendor rate increase of 1.0 percent, family practice physicians practicing in rural areas, as defined by RCW 43.160.020, will receive a \$194 increase to the labor and delivery case rate in FY 2006 which will then increase to \$410 in FY 2007. Managed care payment rates are increased sufficiently for carriers to pass on at least the same level of increase to their network providers. (General Fund-State, Health Services Account-State, General Fund-Federal)

2. Middle Management Reduction - Middle management positions are reduced.

3. Estate Recovery - The Department of Social and Health Services will increase efforts to recover the cost of publicly-funded care from the estates of deceased Medicaid recipients. Specific changes anticipated include earlier initiation of probate proceedings, improved notification of a client's death, and the statutory authority to place liens on the property of clients whose condition is such that discharge is not likely. (General Fund-State, General Fund-Federal)

4. Children's Medical Premiums - Governor Gregoire has directed the Department of Social and Health Services to continue to provide premium-free medical and dental coverage for children with family incomes between 150 and 200 percent of the federal poverty level, which is approximately \$1,900 - \$2,600 per month for a family of three. As provided in the 2004 Supplemental budget, the base level budget anticipated that families within that income range would pay monthly premiums of \$10 per child, up to a maximum of \$30 per family, beginning in July 2005. (Health Services Account-State, General Fund-Federal)

5. Eligibility Reviews - Governor Gregoire has directed that, beginning in May 2005, children's continued Medicaid eligibility will be reviewed every 12 months rather than every six months; and that, once eligible, children will remain eligible until the next review, rather than losing eligibility if family income or circumstances change. These changes are expected to result in an average of approximately 25,000 more children per month remaining on state medical assistance caseloads in Fiscal Year 2007. (General Fund-Federal; Health Services Account-State)

6. Children's Health Program - Funding is provided for health care coverage for undocumented children whose families have incomes below 100 percent of the federal poverty level. The "state-only" program that provided medical and dental coverage was eliminated in October 2002 and enrollment was offered through the Basic Health program. It is anticipated that 8,750 children will be provided health care coverage through this program by the end of the biennium. The Department is directed to manage enrollment to keep program expenditures at or below the appropriated level. (General Fund-State, General Fund-Federal)

2005-07 Omnibus Operating Budget
Department of Social and Health Services
Medical Assistance Payments

8. Hospital Payment Study - Funding is provided for an independent evaluation of the state's current system for setting Medicaid inpatient payment rates, and its strengths and weaknesses in comparison to systems used by other state, federal, and private payers. The department is directed to report the results of the study to the Governor and Legislature by November 2006, together with recommendations for a new or updated system that will promote equity among hospitals; access to quality care for patients; and cost control and efficiency for taxpayers. (General Fund-State, General Fund-Federal)

9. Review Evidence-Based Purchases - As directed in Senate Bill 5924, the Agency Medical Directors' Group will implement a pilot project to coordinate and strengthen state agency efforts to obtain and evaluate scientific evidence on new health care procedures, services, and technology. The pilot will allow agencies to coordinate their evaluations and will support additional progress in the area of evidence-based health purchasing. Participating agencies are the Health Care Authority, the Department of Social and Health Services Medical Assistance Administration, the Department of Labor and Industries, the Department of Corrections, and the Department of Veterans' Affairs. The budget anticipates that the agencies will implement this improvement by re-deploying funds they are already spending on their individual, uncoordinated efforts.

10. Expand Drug Cost Management - The evidence-based prescription drug program established pursuant to Senate Bill 6088 (chapter 29, Laws of 2003, 1st sp. session) will be expanded to include a total of approximately 50 therapeutic drug classes. The preferred drug will be the least costly, equally effective drug or drugs in each class, as determined by the Health Care Authority administrator based upon clinical evidence reviews by the pharmacy and therapeutics committee. The therapeutic interchange and dispense-as-written provisions of SB 6088 will apply to all of these additional drug classes. (General Fund-State, General Fund-Federal, Health Services Account-State)

11. Patients Requiring Review - The Patients Requiring Review program (PRR) controls over-utilization and inappropriate use of medical services by assigning clients to a single primary care physician, and identifying specific pharmacies and other medical providers from whom they may obtain services. Clients who have been on the PRR program have shown a 48 percent decrease in emergency room use, a 41 percent decrease in office visits, and a 29 percent decrease in the number of prescriptions purchased. The department anticipates that, by approximately tripling the number of staff assigned to the program, it can reduce unnecessary utilization by an additional 1,500 clients per month, avoiding \$5,000 of expenditures per client per year. (General Fund-State, General Fund-Federal)

12. MAA Forecast - Federal funds are provided to match increased state funds that are appropriated to the Office of Financial Management to increase the quality, accuracy, and timeliness of Medical Assistance budget forecasting and monitoring. The forecast, which involves approximately \$3.8 billion of state and federal expenditures per year, will be produced by the DSHS Medical Assistance Administration, with assistance and guidance from a technical work group. The work group will be chaired by the Office of Financial Management, with participation from legislative fiscal committee and DSHS staff. (General Fund-Federal)

13. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

14. Non-Medicaid Services-Community - An estimated 475 adults with serious and persistent mental illness do not qualify for federal financial participation in the cost of their medical care because they live in facilities that specialize in mental health treatment, and that have more than 16 residents. State funds are provided to assure these adults continue to have access to essential medical care. (General Fund-State, General Fund-Federal)

2005-07 Omnibus Operating Budget
Department of Social and Health Services
Medical Assistance Payments

16. Chemical Dependency Trtmt Expansion - The number of aged and disabled medical assistance recipients receiving alcohol and drug treatment will double by Fiscal Year 2007. Based upon research by the Department of Social and Health Services, this is expected to result in reduced medical assistance and long-term care expenditures sufficient to offset at least 80 percent of the short-term cost of the treatment expansion. (General Fund-State, General Fund-Federal)

17. IGT Design - Under new federal policies, the state will no longer be able to use inter-governmental transfers (IGT) to collect federal Medicaid funds to cover part of the cost of care to medically indigent and other low-income populations. The administration has proposed a new methodology, subject to approval by the federal government, under which seventeen larger public hospitals will use their own revenues, supplemented by approximately \$41 million per year of state grants, to cover the cost of care to Medicaid and charity care patients. As proposed by the department, the seventeen hospitals will be "held harmless" from the effect of the change, retaining the same amount of public funds as if the previous payment system had continued. The net cost to the state from the change is approximately \$30 million. (General Fund-State, General Fund-Federal, General Fund-Local, Health Services Account-State)

18. Medical Nutrition Scope of Coverage - The Medical Assistance Administration anticipates that expenditures on nutritional supplements can be reduced by approximately 17 percent by adopting clear and uniform standards regarding when and for how long such supplements are medically necessary; promoting use of the least costly equally effective formulation; and prohibiting vendors from shipping and billing for annual supplies when supplements are likely to be required for only a few weeks or months. (General Fund-State, General Fund-Federal)

19. School Ad-Match - Federal spending for the Medicaid administrative activities conducted by school districts has declined as a result of new federal guidelines. This item adjusts the state and federal appropriations to reflect this program change. (General Fund-State, General Fund-Federal)

20. MAA Relocation - The Medical Assistance Administration is located in six separate buildings that are 18-25 years old, that do not have appropriate wiring and data connections to reliably and securely accommodate the new Medicaid Management Information System, and that would require significant remodeling and improvements, with the costs borne by the state, if leases were renewed. Funding is therefore provided for the increased cost of leasing space in a single, co-located, more modern facility beginning January 2006. The agency is directed to cover one-time moving costs and tenant improvements from funds accumulated in the department's savings incentives account, and through efficiencies in agency operations. (General Fund-State, General Fund-Federal)

22. Medical Equipment Cost Management - The growth in expenditures on incontinence supplies, wheelchairs, special bedroom and bathroom equipment, and other medical supplies is to be reduced by 2 percent in Fiscal Year 2006, and by an additional 7.8 percent in Fiscal Year 2007. This is to be accomplished through strategies such as selective contracting, reducing rates to better reflect market prices, and more stringent reviews of the medical necessity of proposed purchases. This reduction is in addition to a 5 percent reduction that is being achieved in Fiscal Year 2005 through a reduction in payment rates for incontinence supplies, and the 3 percent reduction associated with the changes in medical nutrition coverage discussed above. (General Fund-State, Health Services Account-State, General Fund-Federal)

23. Increased Rebates and Recoveries - Eight additional staff are provided for the Office of Financial Recovery to pursue collection of disputed drug manufacturer rebates and medical provider over-payments. Additionally, the number of third-party liability and provider audits will be increased through the addition of two additional staff. The department will track actual savings achieved in this step and report quarterly to the medical assistance forecast technical workgroup on its progress in attaining the targeted savings. (General Fund-State, General Fund-Federal)

2005-07 Omnibus Operating Budget
Department of Social and Health Services
Medical Assistance Payments

24. Newborn Screening Clinic - Funding is provided to support specialty clinical care for children who are identified with one of the five disorders added to the newborn screening panel in 2003. Increased clinic care will result in an estimated \$3.10 increase in the fee charged for the newborn specialty clinic care. This item represents the share of that cost borne by the state's Medical Assistance Program which pays for 43 percent of all births in the state. (General Fund-State, General Fund-Federal)

2005-07 Omnibus Operating Budget
Department of Social and Health Services
Vocational Rehabilitation
(Dollars in Thousands)

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	20,905	108,040	20,905	108,040	20,905	108,040
2005-07 Maintenance Level	21,768	111,379	21,768	111,379	21,768	111,379
Policy Changes:						
1. Lease, Med. Inflation and Equip Red	0	0	-208	-208	-208	-208
2. Middle Management Reduction	-42	-201	-42	-201	-42	-201
3. General Inflation	-38	-213	-38	-213	-38	-213
4. Adjust Grant Levels	854	854	691	-698	691	-698
Total Policy Changes	774	440	403	-1,320	403	-1,320
Total 2005-07 Biennium	22,542	111,819	22,171	110,059	22,171	110,059
Difference from 2003-05	1,637	3,779	1,266	2,019	1,266	2,019
% Change from 2003-05	7.8%	3.5%	6.1%	1.9%	6.1%	1.9%

Comments:

- 1. Lease, Med. Inflation and Equip Red** - Eliminates lease, medical inflation, and equipment funding requests.
- 2. Middle Management Reduction** - Statewide, the number of middle management positions will be reduced by 1,000 positions by the end of the biennium. The reductions are phased in over the entire two year period. Funds are reduced to reflect the portion of the reduction attributable to this agency.
- 3. General Inflation** - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.
- 4. Adjust Grant Levels** - Sufficient state funding is provided to collect the full amount of federal vocational rehabilitation funding expected to be available in 2005-07.
(General Fund-State, General Fund-Federal)

2005-07 Omnibus Operating Budget
Department of Social and Health Services
Administration and Supporting Services
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	74,374	127,972	74,374	127,972	74,374	127,972
2005-07 Maintenance Level	70,503	127,013	70,985	127,495	69,955	126,465
Policy Changes:						
1. Home Care Workers Administration	3,834	7,667	3,834	7,667	3,834	7,667
2. Reduce Regional Staff Support	-5,614	-12,445	-5,614	-12,445	-5,614	-12,445
3. Eliminate Family Policy Council	0	0	0	0	-6,596	-6,596
4. Reduce Family Policy Council	-1,800	-1,800	-2,384	-2,384	0	0
5. Lease, Med. Inflation and Equip Red	-84	-123	-84	-123	-84	-123
6. Middle Management Reduction	-1,797	-2,386	-1,797	-2,386	-1,797	-2,386
7. Estate Recovery	651	1,303	651	1,303	651	1,303
8. Children's Medical Premiums	-1,054	-2,108	-1,054	-2,108	-1,054	-2,108
9. General Inflation	-51	-338	-51	-338	-51	-338
10. DV Prevention (HB 1314)	0	0	0	1,345	0	0
11. Employer Health Coverage Survey	0	0	75	105	0	0
12. Fircrest Transition Team	-600	-1,200	-1,236	-2,472	-1,236	-2,472
13. Government Performance (HB 1064)	0	0	109	158	109	158
14. Postpartum Depression	0	0	0	0	25	25
15. Increased Rebates and Recoveries	0	0	753	1,142	0	0
16. Indirect Overhead for Cap Fac	0	0	328	490	328	490
17. Reinvesting in Youth Program	0	0	-997	-997	0	0
18. TeamChild	100	100	500	500	500	500
Total Policy Changes	-6,415	-11,330	-6,967	-10,543	-10,985	-16,325
Total 2005-07 Biennium	64,088	115,683	64,018	116,952	58,970	110,140
Difference from 2003-05	-10,286	-12,289	-10,356	-11,020	-15,404	-17,832
% Change from 2003-05	-13.8%	-9.6%	-13.9%	-8.6%	-20.7%	-13.9%

Comments:

2005-07 Omnibus Operating Budget
Department of Social and Health Services
Administration and Supporting Services

1. Home Care Workers Administration - Funding is provided to implement the compensation components of the 2005-07 collective bargaining agreement between the state and the approximately 22,000 individuals who contract to provide homecare services to children and adults with disabilities. Funding is provided to pay for an arbitration award of \$1.6 million for delays in implementing dues collection and to implement the costs of making programming changes to the Social Services Payment System to implement the Home Care Workers agreement. In addition, 20 customer services FTEs will be phased-in to handle payroll inputs and questions of the 25,000 home care workers covered under the arbitration agreement. An additional \$54 million is appropriated in the Children's Administration, Developmental Disabilities Division and the Long-Term Care Administration of the Department of Social and Health Services. (General Fund State, General Fund Federal)

2. Reduce Regional Staff Support - Support staff resources for regional offices are reduced commensurate to the FTE reduction taken in DSHS Administrative and Supportive Services Program, including the Children's Administration, Developmental Disabilities, Long Term Care, and Economic Services Administration contain the bulk of regional and field staff support. (General Fund State, General Fund Federal)

4. Reduce Family Policy Council - The Family Policy Council is reduced by approximately \$1.2 million per year. Savings will be achieved through the reduction of both staff and grants to local communities. (Violence Reduction and Drug Enforcement Account- State)

5. Lease, Med. Inflation and Equip Red - This item eliminates funding for actual and anticipated increases associated with lease renewals, medical inflation, and equipment replacement. (General Fund-State, General Fund-Federal)

6. Middle Management Reduction - Statewide, the number of middle management positions will be reduced by 1,000 positions by the end of the biennium. The reductions are phased in over the entire two year period. Funds are reduced to reflect the portion of the reduction attributable to this agency. (General Fund-State, General Fund-Federal)

7. Estate Recovery - This item expands the capacity of the Office of Financial Recoveries to collect revenue from the estates of medicaid eligible clients. It includes resources to initiate probate proceedings, for improved notification of a client's death, and the ability to place Tax Equity and Fiscal Responsibility (TEFRA) liens on the property of clients whose condition is such that discharge is not possible. (General Fund-State, General Fund-Federal)

8. Children's Medical Premiums - The Department of Social and Health Services provides premium-free medical and dental coverage for children with family income between 150 and 200 percent of the federal poverty level, which is approximately \$1,900 to \$2,600 per month for a family of three. This reduction reflects the decrease in caseload and the number of workers who will no longer be needed to collect premiums from these families. (Health Services Account-State, General Fund-Federal)

9. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

10. DV Prevention (HB 1314) - Funding is provided for the implementation of Engrossed Substitute House Bill No. 1314 (domestic violence prevention). (Domestic Violence Prevention Account)

2005-07 Omnibus Operating Budget
Department of Social and Health Services
Administration and Supporting Services

11. Employer Health Coverage Survey - Funds are provided to implement Substitute House Bill 1486 (health care services), which requires the department to report annually on the employment status of medical assistance enrollees, and who their employers are. (General Fund-State, General Fund-Federal)

12. Fircrest Transition Team - This item reduces staff and other resources that were funded in the 2003-05 biennium and which were used for the downsizing of Fircrest, a residential habilitation center. Funding is provided to the Office of Financial Management for a study of options for a preferred continuum of transition for state residential habilitation centers. (General Fund-State, General Fund-Federal)

13. Government Performance (HB 1064) - Funding is provided for the implementation of Engrossed Substitute House Bill No. 1064 (government performance). If legislation is not enacted by June 30, 2005, the funding lapses. (General Fund-State, General Fund-Federal)

15. Increased Rebates and Recoveries - Eight additional staff are provided for the Office of Financial Recovery to pursue collection of disputed drug manufacturer rebates and medical provider over-payments. Additionally, the number of third-party liability and provider audits will be increased through the additional of two staff. The department will track actual savings achieved in this step and report quarterly to the medical assistance forecast technical workgroup on its progress in attaining the targeted savings. (General Fund-State, General Fund-Federal)

16. Indirect Overhead for Cap Fac - Funding is transferred from the capital budget to the operating budget for the overhead costs of DSHS's indirect capital management. (General Fund-State, General Fund-Federal)

17. Reinvesting in Youth Program - Funding in the amount of \$997,000 from the Juvenile Violence Prevention grant program is transferred to the Juvenile Rehabilitation Administration for the establishment of a Reinvesting in Youth Pilot program. (General Fund)

18. TeamChild - This item provides \$500,000 per year for the TeamChild program, which provides civil legal advocacy to troubled youth.

2005-07 Omnibus Operating Budget
Department of Social and Health Services
Payments to Other Agencies
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	83,037	123,485	83,037	123,485	83,037	123,485
2005-07 Maintenance Level	91,080	135,386	91,080	135,386	91,080	135,386
Policy Changes:						
1. Estate Recovery	300	600	300	600	300	600
2. General Inflation	-63	-72	-63	-72	-63	-72
3. Office of the Attorney General	1,444	1,950	1,444	1,950	1,444	1,950
Total Policy Changes	1,681	2,478	1,681	2,478	1,681	2,478
Total 2005-07 Biennium	92,761	137,864	92,761	137,864	92,761	137,864
Difference from 2003-05	9,724	14,379	9,724	14,379	9,724	14,379
% Change from 2003-05	11.7%	11.6%	11.7%	11.6%	11.7%	11.6%

Comments:

1. Estate Recovery - The capacity of DSHS to recover long-term care and medical assistance costs from the estates of deceased clients who received such services is expanded. Resources are provided to the Office of Financial Recovery to initiate probate proceedings and for improved notification of a client's death. Additional savings are achieved in accordance with Substitute House Bill 2304 (medical assistance debts), which authorizes DSHS to file a request for notice of transfer or encumbrance on the real property of a medical assistance recipient; expands the statute of limitations on enforcement of liens to recover medical assistance payments from six years to 20 years; and directs DSHS to place liens on the property of clients who receive medical assistance or long-term care services prior to their death, if their condition is such that they are unlikely to be discharged from a medical institution or return home. (General Fund-State, General Fund-Federal)

2. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (General Fund-State, General Fund-Federal)

3. Office of the Attorney General - Funding is provided for increased costs of litigation support in the Attorney General's Office for complex, protracted program litigation for the Department of Social and Health Services. (General Fund-State, General Fund-Federal)

2005-07 Omnibus Operating Budget
Department of Social and Health Services
Information System Services
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	0	0	0	0	0	0
2005-07 Maintenance Level	79	79	79	79	627	627
Policy Changes:						
1. General Inflation	-79	-79	-79	-79	-79	-79
Total Policy Changes	-79	-79	-79	-79	-79	-79
Total 2005-07 Biennium	0	0	0	0	548	548
Difference from 2003-05	0	0	0	0	548	548
% Change from 2003-05	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

2005-07 Omnibus Operating Budget
Columbia River Gorge Commission
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	691	1,362	691	1,362	691	1,362
2005-07 Maintenance Level	790	1,490	790	1,490	790	1,490
Policy Changes:						
1. General Inflation	-2	-4	-2	-4	-2	-4
2. Citizen Services - Mediation	9	18	9	18	9	18
3. Mandatory Planning Services	138	276	138	276	138	276
Total Policy Changes	145	290	145	290	145	290
Total 2005-07 Biennium	935	1,780	935	1,780	935	1,780
Difference from 2003-05	244	418	244	418	244	418
% Change from 2003-05	35.3%	30.7%	35.3%	30.7%	35.3%	30.7%

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

2. Citizen Services - Mediation - In the past decade, the Gorge Commission has reduced the cost and delay on permit decisions by offering a means other than a formal hearing to resolve conflict. Due to recent budget reductions, the Commission cannot continue to purchase mediation services. Funding is provided for six alternative dispute resolution contracts. (General Fund-State, General Fund-Private/Local)

3. Mandatory Planning Services - Funding is provided for staff to process two additional plan amendment review applications per year, update the economic development and other sections of the management plan, and complete other mandated planning requirements of the National Scenic Area Act . (General Fund-State, General Fund-Private/Local)

2005-07 Omnibus Operating Budget
Department of Ecology
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	72,261	325,068	72,261	325,068	72,261	325,068
2005-07 Maintenance Level	75,610	360,845	75,610	360,845	75,610	360,845
Policy Changes:						
1. Columbia River Initiative	200	200	200	200	750	750
2. Oil Spill Early Action & Prevention	0	2,000	0	1,630	0	1,630
3. Initiative 297 Implementation	0	0	0	0	0	4,879
4. US vs Washington (Culverts) Lawsuit	47	47	47	47	47	47
5. Reduce Flood Control Grants	0	-1,000	0	-1,000	0	-2,000
6. 2005 Emergency Drought Declaration	0	1,800	0	725	0	1,800
7. Middle Management Reduction	-696	-2,473	-696	-2,473	-696	-2,473
8. General Inflation	-471	-913	-471	-913	-471	-913
9. Statewide Streamflow Gauging	0	740	454	324	454	324
10. Enhance Well Construction Program *	-300	361	-300	361	-300	361
11. Municipal Stormwater Permit	0	1,460	0	1,274	0	1,274
12. Water Quality Certifications	609	609	300	300	300	300
13. Beyond Waste & Business Assistance	0	3,350	0	3,175	0	3,175
14. Reduce PBTs in the Environment	0	1,403	0	1,403	0	1,403
15. Cleanup Toxic Sites	0	9,000	0	9,000	0	9,000
16. Enhance Voluntary Cleanups	0	270	0	270	0	270
17. Wetland Banking Pilot Rule	0	0	395	395	395	395
18. Water Right Mediation	0	0	176	176	176	176
19. Commercial Passenger Vessels	0	0	0	0	293	417
20. Soil Contamination	0	0	0	250	0	250
21. On-Site Sewage Disposal (2SSB 5431)	924	924	0	0	0	0
22. SB 5699 Aquatic Invasive Species	0	509	0	509	0	0
23. Ocean Policy Review	297	297	100	100	0	0
24. Implement SSB 5515	0	261	0	0	0	0
25. Shoreline Planning Grants	2,500	2,500	2,500	2,500	2,500	2,500
Total Policy Changes	3,110	21,345	2,705	18,253	3,448	23,565
Total 2005-07 Biennium	78,720	382,190	78,315	379,098	79,058	384,410
Difference from 2003-05	6,459	57,122	6,054	54,030	6,797	59,342

2005-07 Omnibus Operating Budget
Department of Ecology
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
% Change from 2003-05	8.9%	17.6%	8.4%	16.6%	9.4%	18.3%

Comments:

1. Columbia River Initiative - The objectives of the Columbia River Initiative are to meet the water needs of growing communities and their rural economies along the main stem of the Columbia River, and to do so in a manner that reduces the risk to fish resulting from water withdrawals. Funding for the acquisition of water rights is contingent on passage of a water policy bill by June 30, 2006.

2. Oil Spill Early Action & Prevention - In response to the October 14, 2004, Dalco Passage Puget Sound oil spill, Governor Locke created the Oil Spill Early Action Task Force to explore possible improvements to prepare and respond to oil spills. The Governor's Citizen Volunteer Program and Oil Spill Task Force recommendations will be finalized in December 2004. Funding is provided to implement these recommendations. (Oil Spill Prevention Account)

4. US vs Washington (Culverts) Lawsuit - One-time funding is provided for Assistant Attorney General staff support for the U.S. vs Washington State (Culverts Case). The court has framed the issue as whether the state is "affirmatively diminishing the number of fish available for harvest" by "build[ing] and manag[ing] its roadway culverts in a fashion that impermissibly blocks the passage of fish destined for the Tribes' usual and accustomed fishing ground." Agencies involved in the case include the departments of Transportation, Natural Resources, Fish and Wildlife, Ecology, and the Washington State Parks and Recreation Commission.

5. Reduce Flood Control Grants - Due to the General Fund-State revenue shortfall, the Flood Control Assistance Account Program is reduced by 25 percent for the 2005-07 Biennium. A total of \$2.3 million will continue to be provided for local government flood damage reduction projects, comprehensive hazard management plans, and flood mapping. Another \$700,000 is available to provide technical assistance for the National Flood Insurance Program, flood control projects, and other program activities. (Flood Control Assistance Account)

6. 2005 Emergency Drought Declaration - On March 10, 2005, the Governor authorized an emergency drought declaration. The Department of Ecology will continue processing emergency drought requests, coordinate water purchases and mitigation agreements, and monitor water use. (State Emergency Water Projects Revolving Account)

7. Middle Management Reduction - Middle management positions are reduced.

8. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

2005-07 Omnibus Operating Budget

Department of Ecology

April 23, 2005
12:57 pm

9. Statewide Streamflow Gauging - Streamflow monitoring is critically important to support programs designed to achieve, restore, and protect water supplies for people, fish, and farms. In addition, this activity also is important for supporting local watershed planning efforts. The Department of Ecology's stream gauging network is funded primarily by federal grants which expire in the 2003-05 Biennium, and from the State Drought Preparedness Account which was a one-time fund source. To continue to support the existing stream gauging network, \$1.5 million of Water Quality Account funding will be utilized in the 2005-07 Biennium. In addition, to begin to meet new streamflow gauging requests from watershed planning groups, 10 new gauges per year will be installed in high-priority watersheds. Watershed planning groups have requested the installation of 55 new gauges. (General-Fund State, Water Quality Account)

10. Enhance Well Construction Program * - Ecology and local health departments regulate well construction and decommissioning to ensure proper construction and to protect and manage groundwater resources. The current fee system does not completely cover costs, has not been adjusted since its authorization in 1993, and allows only 30 percent of new wells to be inspected. The Department of Ecology (DOE) is pursuing the statutory and rule changes necessary to increase fees and provide improved customer service. The additional revenue will be used to assist local governments that accept delegation of well inspections, increase inspection rates on new wells, and improve well construction data systems. (Reclamation Revolving Account)

11. Municipal Stormwater Permit - The federal Clean Water Act requires certain industries and municipalities to have water quality discharge permits to discharge stormwater. Municipal stormwater permits require the implementation of a Stormwater Management program to reduce the discharge of pollutants, reduce impacts to receiving waters, eliminate illicit discharges, and make progress toward compliance with surface water, ground water, and sediment standards. Regulations under the act establish a two-part system for implementing municipal stormwater permits: larger municipalities were covered and issued in Phase I; smaller jurisdictions were addressed under Phase II. Ecology is now required to issue Phase II permits for over 100 municipalities, and will charge fees to fully implement this program. (Water Quality Permit Fee Account)

12. Water Quality Certifications - Projects proposed to be built in wetlands or in water bodies of water must meet state water quality standards and other aquatic protection regulations. Projects that result in a discharge to these waters and need a federal permit, must also meet Section 401 requirements of the Clean Water Act which require that these permits first receive state certification ensuring that the proposed projects meet state standards. As part of Ecology's overall permit streamlining and regulatory reform efforts, a pilot program for processing 401 water quality certification projects using re-assigned staff was initiated in one regional office. This pilot improved permit processing accountability and timelines, and resulted in 90 percent of routine certifications occurring within 90 days of application, and acknowledgement of receipt of the application being sent within 10 days (known as the "90-90-10" pilot). Two additional regional permit processors and one program coordinator will expand the 90-90-10 pilot statewide and make these process and timeline improvements permanent.

13. Beyond Waste & Business Assistance - State law mandates that the Department of Ecology develop and update statewide plans for hazardous-waste and solid-waste management. Working closely with local governments and other stakeholders, the agency updated both of these plans into an integrated "Beyond Waste" plan. The new plan provides additional emphasis on waste and pollution prevention, rather than cleanup. Staff will work with businesses to reduce key wastes, increase organic composting, coordinate 'Green Building' practices, enhance effectiveness of existing data collecting methods and track performance indicators, implement a financial and regulatory incentives program, and improve pollution prevention plans. In addition, outside contractors will analyze the feasibility of funding less toxic business technologies and help determine which major indicators should be used to track the effectiveness of the Beyond Waste program. (Waste Reduction/Recycle/Litter Control Account, State Toxics Control Account, Hazardous Waste Assistance Account)

2005-07 Omnibus Operating Budget

Department of Ecology

14. Reduce PBTs in the Environment - Persistent bioaccumulative toxins (PBTs) are particular toxic chemical elements and compounds that are persistent in the environment (resist chemical break-down), can move through the food chain, and accumulate in the tissue of humans and many animals. These toxins pose a serious health risk to humans and animals. As directed by the Legislature, in December 2000 the Department of Ecology completed and submitted a proposed strategy to reduce PBTs in Washington State. The department will implement a proposed Polybrominated Diphenyl Ethers (PBDE) chemical action plan, monitor for mercury in fish, and continue implementing the overall PBT strategy. (State Toxics Control Account)

15. Cleanup Toxic Sites - Cleaning up pollution is one of the principle charges of Ecology and one of its three primary goals. Demand for the cleanup of recalcitrant or orphan contaminated sites that present threats to human health and the environment continues to outpace available funding. Due to additional revenues to the State Toxic Account, additional cleanups will be completed for high priority toxic sites. (State Toxics Control Account)

16. Enhance Voluntary Cleanups - The Department of Ecology conducts the cleanup of toxic waste sites through the Voluntary Cleanup program and formal administrative oversight of responsible parties, via administrative and enforcement mechanisms. By sheer number, most of the cleanups in the state are conducted through the Voluntary Cleanup program, and the agency recovers approximately 40 percent of its costs for these voluntary cleanups from the entity initiating the cleanup. Ecology will coordinate the clean-up of 25 additional toxics sites with voluntary contaminated site owners. (State Toxics Control Account)

17. Wetland Banking Pilot Rule - Wetland banking is a method that allows wetlands to be restored, enhanced and preserved to offset impacts to wetlands from land development. Currently, the department is working on pilot to (1) test the draft wetland banking rule; (2) certify existing banks; and (3) determine what it will cost the state to implement a wetland banking program. Funding is provided to complete the pilot, so that wetland banking can be fully implemented and evaluated as directed by the 2004 Legislature.

18. Water Right Mediation - At the request of the Lummi Nation, the federal government has filed for a declaration of the Lummi's water rights in federal court. The Department of Ecology and the Office of the Attorney General have received support from the United States Department of the Interior to seek a mediated settlement of the water right claims of the Lummi Nation. One-time funding of \$200,000 was provided for mediation efforts with the Lummi Nation in the 2004 budget, however, \$24,000 was expended due to a slower than expected beginning of settlement negotiations. To finish the mediation effort, one-time funding of \$176,000 is provided.

20. Soil Contamination - Funding is provided to implement Engrossed Second Substitute House Bill 1605 (soil contamination). The bill directs the department, in cooperation with the Department of Health and the Department of Social and Health Services, to assist schools and child care facilities within child use prioritization areas in Western Washington to reduce the potential for children's exposure to area-wide soil contamination. (State Toxics Control Account-State)

22. SB 5699 Aquatic Invasive Species - Funding is provide to implement the provisions of Senate Bill 5699, related to aquatic invasive species.

23. Ocean Policy Review - Funding is provide for the Ocean Policy Review Committee.

25. Shoreline Planning Grants - SHORELINE MASTER PROGRAM GRANTS: In order to meet a legislatively directed schedule for updating local Shoreline Master Programs an additional \$2 million GF-S grant funding to cities and counties is provided. In addition, \$0.5 million will allow grants that were encumbered in the 2003-05 Biennium but not fully expended to be completed. Providing adequate funding for this difficult local government process is important to ensure all communities are able to comply with the new rule.

2005-07 Omnibus Operating Budget
Washington Pollution Liability Insurance Program
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	0	1,902	0	1,902	0	1,902
2005-07 Maintenance Level	0	1,929	0	1,929	0	1,929
Policy Changes:						
1. General Inflation	0	-3	0	-3	0	-3
2. Oil Heat Education and Outreach	0	52	0	52	0	52
Total Policy Changes	0	49	0	49	0	49
Total 2005-07 Biennium	0	1,978	0	1,978	0	1,978
Difference from 2003-05	0	76	0	76	0	76
% Change from 2003-05	0.0%	4.0%	0.0%	4.0%	0.0%	4.0%

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

2. Oil Heat Education and Outreach - An estimated 63,000 heating oil tanks will be registered in the agency's Heating Oil Tank Liability Insurance Program during the 2005-07 biennium. One-time funding will be used to produce, print, and mail preventive maintenance educational brochures to tank owners. (Heating Oil Pollution Liability Trust-Non-Appropriated)

2005-07 Omnibus Operating Budget
State Parks and Recreation Commission
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	60,467	104,756	60,467	104,756	60,467	104,756
2005-07 Maintenance Level	62,498	108,533	62,498	108,533	62,498	108,533
Policy Changes:						
1. Middle Management Reduction	-590	-659	-590	-659	-590	-659
2. Parks License Plate *	0	10	0	10	0	0
3. Operating Costs - New Projects	525	845	525	845	525	845
4. Balance to Available Revenue	0	-108	0	-108	0	-108
5. General Inflation	-81	-500	-81	-500	-81	-500
6. Build and Operate Cabins and Yurts	0	1,034	0	1,034	0	1,034
7. Ice Age Floods Plan	0	85	0	185	0	185
8. Move Project Scoping to Operating	300	300	300	300	300	300
9. Public Safety and Risk Reduction	473	673	473	673	473	673
10. LCIC Fee Collection	0	268	0	268	0	268
11. Fort Worden Furnishing Replacement	476	575	476	575	476	575
Total Policy Changes	1,103	2,523	1,103	2,623	1,103	2,613
Total 2005-07 Biennium	63,601	111,056	63,601	111,156	63,601	111,146
Difference from 2003-05	3,134	6,300	3,134	6,400	3,134	6,390
% Change from 2003-05	5.2%	6.0%	5.2%	6.1%	5.2%	6.1%

Comments:

1. Middle Management Reduction - Statewide, the number of middle management positions will be reduced by 1,000 positions by the end of the biennium. The reductions are phased in over the entire two year period. Funds are reduced to reflect the portion of the reduction attributable to this agency.

2. Parks License Plate * - Funding is provided to implement Senate Bill 5316, Parks License Plate. The bill allows for the sale of a new State Parks and Recreation Commission license plate. Revenues will be used to expand the availability of interpretive, recreational and historical materials for sale at state parks. (Parks Improvement Account-Nonappropriated)

2005-07 Omnibus Operating Budget State Parks and Recreation Commission

3. Operating Costs - New Projects - State Parks receives funding through the capital budget and other sources to upgrade its facilities each biennium. Some of these projects are for major repairs to existing infrastructure, while other projects are for new facilities. A combination of one-time and ongoing funding is provided for operating and maintenance impacts for projects funded during the 2003-05 biennium. Affected projects completed during the 2003-05 Biennium include water systems at Mt. Spokane and Deception Pass State Park, new acquisitions at Pearrygin State Park and the Nisqually-Mashel area, and marina improvements at Sun Lakes State Park. (General Fund-State, Park Renewal and Stewardship Account-State)

4. Balance to Available Revenue - Expenditure authority and FTE staff are reduced to match forecasted revenues. As a result, services to off-road vehicle recreation will be reduced. (Off-Road Vehicle Account-State)

5. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

6. Build and Operate Cabins and Yurts - A combination of one-time and ongoing funding is provided for installing and operating cabins, yurts, and other rentable structures in parks across the state. (Parks Renewal and Stewardship Account-State)

7. Ice Age Floods Plan - The Ice Age floods were responsible for sculpting much of the landscape of eastern Washington and the Columbia River Gorge, and are considered a geological phenomenon of national importance. However, the historical and geological significance of this event is not well known to the public. One-time funding and staffing are provided to develop a plan for public education and tourist orientation and interpretation at selected state park sites along the route of the floods, from Spokane to the Pacific Ocean. (Parks Renewal and Stewardship Account-State)

8. Move Project Scoping to Operating - Staffing and funding are shifted from the agency's capital budget to the operating budget in response to a Joint Legislative Audit and Review Committee study regarding the use of capital dollars and FTE staff for non-project specific capital expenses. This funding will enable engineers and architects from the agency's regional capital program teams to scope prospective capital budget requests once a biennium.

9. Public Safety and Risk Reduction - A combination of one-time and ongoing funding is provided to address safety risks at state parks and to install new token-operated shower meters at state parks. Funding is provided to improve beach access roads, reimburse counties for deputy sheriff time, and increase ranger patrols at state beaches in Pacific and Grays Harbor counties. Resources are provided for enhanced employee safety measures, including working with the Department of Labor and Industries on safety training, processing workers' compensation claims, and hazardous materials disposal. In addition, funding is provided for Parks to coordinate with the Department of Natural Resources for forest fuels removal at state parks and for staff fire-fighting training. (General Fund-State, Parks Renewal and Stewardship Account-State)

10. LCIC Fee Collection - In February 2004, State Parks began collecting admission fees at the Lewis and Clark Interpretive Center (LCIC) at Cape Disappointment State Park. Expenditure authority and staffing are provided for fee collection, improved interpretation services, and display maintenance. (Parks Renewal and Stewardship Account-State)

11. Fort Worden Furnishing Replacement - One-time funding is provided to replace interiors, fixtures, appliances, and furnishings for twelve vacation houses at Fort Worden State Park. Furnishings in these units, accommodating up to 132 overnight guests, are currently 25 years old or older. (Parks Renewal and Stewardship Account-State)

2005-07 Omnibus Operating Budget
Interagency Committee for Outdoor Recreation
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	2,628	24,540	2,628	24,540	2,628	24,540
2005-07 Maintenance Level	2,772	25,003	2,772	25,003	2,772	25,003
Policy Changes:						
1. Technical Adjustments	0	150	0	150	0	150
2. General Inflation	-2	-10	-2	-10	-2	-10
3. Outdoor Recreation Resource Plan	0	152	0	152	0	152
4. Pacific NW Aquatic Monitoring	40	40	40	40	40	40
5. Technology Enhancements	0	359	0	359	0	359
Total Policy Changes	38	691	38	691	38	691
Total 2005-07 Biennium	2,810	25,694	2,810	25,694	2,810	25,694
Difference from 2003-05	182	1,154	182	1,154	182	1,154
% Change from 2003-05	6.9%	4.7%	6.9%	4.7%	6.9%	4.7%

Comments:

1. Technical Adjustments - Funding is adjusted for operating expenses for various accounts to align available revenue and operating expenses with the statutory requirements and/or available fund balance for these accounts. (General Fund-Federal, Firearms Range Account-State, Recreation Resources Account-State)

2. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

3. Outdoor Recreation Resource Plan - The Interagency Committee for Outdoor Recreation (IAC) is required by statute to develop a statewide strategic plan for the acquisition, renovation, and development of recreational resources and the conservation of open space. The current plan referred to as the State Comprehensive Outdoor Recreation Plan (SCORP) expires during December 2007. The plan will be revised for the purpose of continuing to receive federal land and water conservation grants. (General Fund-Federal, Recreation Resources Account-State and Nonhighway and Off-Road Vehicles Activities Program Account-State)

4. Pacific NW Aquatic Monitoring - Federal, state, tribal, local, and private aquatic monitoring efforts often lack coordination. State, federal, and tribal participants from Washington, Oregon, California, and Idaho formed the Pacific Northwest Aquatic Monitoring Partnership (PNAMP) to coordinate and guide individual monitoring strategies across different interests. This investment will reduce redundancy, increase efficiency, and help meet the goals and objectives of the various entities involved in monitoring.

2005-07 Omnibus Operating Budget
Interagency Committee for Outdoor Recreation

April 23, 2005
12:57 pm

5. Technology Enhancements - Technological investments are necessary to increase service delivery effectiveness and to explore opportunities for efficiency. This proposal will upgrade an existing single point of reference mapping system to a geographic area (polygon) system that will better identify the location, boundaries, and size of a project. This information will be used to manage projects by the Interagency Committee for Outdoor Recreation, local governments, private landowners, federal, and state agencies. (General Fund-Federal, Recreation Resources Account-State, and Nonhighway and Off-Road Vehicles Activities Program Account-State)

2005-07 Omnibus Operating Budget
Environmental Hearings Office
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	1,942	1,942	1,942	1,942	1,942	1,942
2005-07 Maintenance Level	2,000	2,000	2,000	2,000	2,000	2,000
Policy Changes:						
1. General Inflation	-5	-5	-5	-5	-5	-5
2. Reduce Appeal Resolution Timelines	38	38	38	38	38	38
3. Salary Increases	40	40	60	60	80	80
Total Policy Changes	73	73	93	93	113	113
Total 2005-07 Biennium	2,073	2,073	2,093	2,093	2,113	2,113
Difference from 2003-05	131	131	151	151	171	171
% Change from 2003-05	6.7%	6.7%	7.8%	7.8%	8.8%	8.8%

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

2. Reduce Appeal Resolution Timelines - The number of complex appeals filed with the Environmental Hearings Office is increasing, even though the actual number of appeals filed has remained relatively stable over the last four years. One administrative appeals judge is increased from 80 percent to 100 percent time to reduce the average time spent resolving appeals from 6.5 months down to the long-term goal of 6.0 months. Resolving these appeals in a timely manner directly impacts economic development by reducing the uncertainty related to the final outcome of permits.

3. Salary Increases - The Environmental Hearings Office board members, administrative appeals judges, and staff salaries are lower than similar adjudicatory agencies and other state legal staff. In order to increase staff retention and facilitate hiring, exempt board members, judges, and staff salaries are increased by an average of 5.6 percent. This increase will bring these positions into line with similar positions in state government.

2005-07 Omnibus Operating Budget
State Conservation Commission
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	4,487	6,909	4,487	6,909	4,487	6,909
2005-07 Maintenance Level	4,271	6,462	4,271	6,462	4,271	6,462
Policy Changes:						
1. General Inflation	-5	-9	-5	-9	-5	-9
2. Sustaining Conservation Ops #	500	500	200	200	200	200
3. Supporting Local Accountability	0	62	0	62	0	62
4. Prof Engineering Grants Program	0	300	0	300	0	300
5. Livestock Nutrient Assistance	0	1,470	0	1,600	0	1,600
Total Policy Changes	495	2,323	195	2,153	195	2,153
Total 2005-07 Biennium	4,766	8,785	4,466	8,615	4,466	8,615
Difference from 2003-05	279	1,876	-21	1,706	-21	1,706
% Change from 2003-05	6.2%	27.2%	-0.5%	24.7%	-0.5%	24.7%

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

2. Sustaining Conservation Ops # - Funding is provided to implement Substitute House Bill 1462 (funding conservation districts). This bill allows the Conservation Commission to adopt rules concerning eligibility and distribution of grants to conservation districts.

3. Supporting Local Accountability - The State Auditor conducts financial and legal compliance audits of the state's 48 local conservation districts, and state law requires each district to be audited at least every three years. Funding will reimburse the State Auditor for the increased cost of audits scheduled to be conducted during the 2005-07 biennium. (Water Quality Account-State)

4. Prof Engineering Grants Program - The commission provides professional engineering grants to conservation districts to make engineering services available and affordable to private landowners who wish to implement natural resource conservation plans, and water-quality or habitat-improvement projects. Typical work performed by district engineers includes permitting, designing, and construction oversight. One-time funding is provided to address an estimated backlog of 50-60 projects in need of engineering review, thereby reducing the turnaround time from approval of project financing to project completion. (Water Quality Account-State)

**2005-07 Omnibus Operating Budget
State Conservation Commission**

5. Livestock Nutrient Assistance - One-time funding is provided for conservation districts to assist approximately 800 owners and operators of animal feeding operations and concentrated animal feeding operations in developing nutrient management plans. These operators must meet and stay in compliance with new federal water-quality standards beginning December 2006. Funding will also support conservation districts' to provide information to 1,000 smaller-scale livestock producers. (Water Quality Account-State)

2005-07 Omnibus Operating Budget
Department of Fish and Wildlife
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	83,593	282,290	83,593	282,290	83,593	282,290
2005-07 Maintenance Level	87,020	294,865	87,020	294,865	87,020	294,865
Policy Changes:						
1. Technical Adjustments	0	-121	0	-121	0	-121
2. Wildlife Fund-State Adjustment	0	-2,100	0	-3,146	0	-3,800
3. WILD System Replacement	0	300	0	300	0	300
4. Genetics Lab Resources	21	21	21	21	21	42
5. Warm Water Gamefish Activity	0	250	0	250	0	250
6. U.S. v. Washington Culvert Lawsuit	122	122	122	122	122	122
7. Middle Management Reduction	-916	-1,863	-916	-1,863	-916	-1,863
8. General Inflation	-300	-1,110	-300	-1,110	-300	-1,110
9. Equip Maintenance/Software Licenses	0	0	0	0	0	400
10. Infrastructure Replacement	0	175	0	175	0	375
11. Hydraulic Permit Management System	0	300	0	300	0	300
12. Temporary Fishing Licenses *	0	4	0	4	0	0
13. Wild Salmon Monitoring	500	500	200	200	500	500
14. Hunter Education Training	0	0	0	46	0	46
15. F&W Violations (ESHB 1696)	0	0	0	398	0	398
16. Chum Salmon Production	0	0	20	20	20	20
17. Damage to Livestock by Cougars	0	0	0	50	0	50
18. Canada Goose Hunting Days	0	0	0	90	0	90
19. DFW/DOE Water Team	367	367	0	0	477	477
20. Aquatic Invasive Species *	0	750	0	750	0	0
21. Pacific Salmon Treaty	703	703	703	703	0	0
22. Crab Pot Buoy Tag *	0	274	0	274	0	0
23. Family Forest Fish Passage	175	175	0	0	0	0
24. Grizzly Bear Education	75	75	75	75	0	0
25. Reduce HSRG Funding	0	-550	0	-550	0	0
26. Invasive Species Council *	75	75	0	0	0	0
27. Naselle Hatchery Operations & Maint	0	481	0	481	0	0
28. Ocean Policy Review Commission *	200	200	100	100	0	0
29. Safety Equipment Upgrade	0	0	0	166	0	166
30. Fish & Wildlife License Plates *	0	30	0	0	0	0

2005-07 Omnibus Operating Budget
Department of Fish and Wildlife
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
31. Wildlife Harvest Reports *	0	223	0	223	0	0
32. Hunter Access to Private Lands *	0	1,900	0	1,900	0	0
33. Primary Turkey Tag Isolation *	0	120	0	120	0	0
34. Big Game Hunting License *	0	72	0	72	0	66
Total Policy Changes	1,022	1,373	25	50	-76	-3,292
Total 2005-07 Biennium	88,042	296,238	87,045	294,915	86,944	291,573
Difference from 2003-05	4,449	13,948	3,452	12,625	3,351	9,283
% Change from 2003-05	5.3%	4.9%	4.1%	4.5%	4.0%	3.3%

Comments:

1. Technical Adjustments - Funding is adjusted for operating expenses for the Regional Fisheries Enhancement Salmonid Recovery Account, the Off-Road Vehicle Account, the Coastal Crab Account and the Sea Urchin Dive Fisheries Account. These reductions align available revenue and operating expenses with available fund balance for these accounts. (Regional Fisheries Enhancement Salmonid Recovery Account-Federal, Coastal Crab Account-Nonappropriated, Sea Urchine Dive Fisheries Account-Nonappropriated, Off-Road Vehicle Account-State)

2. Wildlife Fund-State Adjustment - Expenditure authority and FTE staff are reduced to match expected revenues in the state wildlife account. The agency will reduce funding for the Bogachiel/Eels Hatchery production, Garrison Springs Hatchery and continue decommissioning of the Brinnon shellfish hatchery. Other activities to be eliminated or reduced include the go play outside contract, one district office staff, one biological field staff, middle management, access sites, marine resources, print shop, mail room, and agency administration/business services expenditures. (State Wildlife Account-State)

3. WILD System Replacement - The recreational license sales system is provided through contract, which expires on June 30, 2006. The department has begun the process to select a new vendor to design and deploy a new generation licensing system to replace the Washington Interactive Licensing Database. One-time funding is provided to cover project management expertise, training, and travel expenses. (State Wildlife Account-State)

4. Genetics Lab Resources - Funding is provided for supplies and materials used to run the department's genetics lab. (General Fund-State, State Wildlife Account-State)

5. Warm Water Gamefish Activity - Warm water operating funding authority was shifted to the capital budget to accomplish a construction project at the Meseberg Hatchery during the 2003-05 Biennium. The construction project is complete and spending authority is directed back to the operating budget to re-establish the prior level of warm water game fish management. (Warm Water Game Fish Account-State)

2005-07 Omnibus Operating Budget

Department of Fish and Wildlife

6. U.S. v. Washington Culvert Lawsuit - One-time funding is provided for Assistant Attorney General staff support for the US vs Washington State (Culverts) case. The court has framed the issue as whether the state is "affirmatively diminishing the number of fish available for harvest" by "build[ing] and manag[ing] its roadway culverts in a fashion that impermissibly blocks the passage of fish destined for the Tribes' usual and accustomed fishing ground." Agencies involved in the case include the departments of Transportation, Natural Resources, Fish and Wildlife, Ecology, and the Washington State Parks and Recreation Commission.

7. Middle Management Reduction - Statewide, the number of middle management positions will be reduced by 1,000 positions by the end of the biennium. The reductions are phased in over the entire two year period. Funds are reduced to reflect the portion of the reduction attributable to this agency.

8. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

10. Infrastructure Replacement - Funding is provided to update seven Novell servers and ten Unix servers to systems that are compatible with statewide systems. The recently completed information technology architecture study of the department reviewed the current services and recommended that the highest priority items be replaced during in the 2005-07 biennium. (State Wildlife Account-State)

11. Hydraulic Permit Management System - A new Hydraulic Permit Management System (HPMS) is under development to replace manual tools and to automate hydraulic permit approval business processes. Phase I of the new HPMS system will be implemented in the 2003-05 biennium and will provide a basic capability for habitat biologists to receive applications, issue permits, and track projects. This item funds Phase II of the HPMS and will allow increased site visit tracking, enforcement appeal tracking, and geographic information system (GIS) mapping capability by the Salmon Recovery Funding Board (SRFB). (State Wildlife Account-State)

12. Temporary Fishing Licenses * - Funding is provided to implement House Bill No. 1210 (Temporary fishing license). If legislation is not enacted, funding shall lapse. (State Wildlife Account-State).

13. Wild Salmon Monitoring - Funding is provided for monitoring listed wild salmonid populations statewide. Intensively Monitored Watersheds (IMW) funding will be maintained beyond FY 2005. However, the SRFB will not cover monitoring of the production of Puget Sound chinook, lower Columbia steelhead, upper Columbia steelhead, and chinook in rivers that are not associated with the IMW project.

14. Hunter Education Training - Funding is provided to expand hunter education training by increasing the number of courses provided from 500 to 550. Course participation fees support hunter education training, although additional support staff is provided for enrollment and certification record keeping, distribution of course materials, and maintaining instructor records. (State Wildlife Account-State)

15. F&W Violations (ESHB 1696) - Engrossed Substitute House Bill No. 1696 (Fish and Wildlife violations) expands the crime of unlawful recreational fishing in the first degree to include fishing for or possessing a species of fish that is listed as endangered or threatened. The bill allows flexibility in the types of security posted to reclaim seized property and increases the penalties for the unlawful hunting of big game. A new non-appropriated account, the Fish and Wildlife Reward Account, is created to fund wildlife enforcement activities. (State Wildlife Account-State)

**2005-07 Omnibus Operating Budget
Department of Fish and Wildlife**

- 16. Chum Salmon Production** - Ongoing funding is provided for chum salmon production at Minter Creek Hatchery.
- 17. Damage to Livestock by Cougars** - Ongoing funding is provided for reimbursements from damage to commercial livestock that is caused by cougars. (State Wildlife Account-State)
- 18. Canada Goose Hunting Days** - Federal funds are provided for the management of Canada goose seasons to increase the number of hunting days in southwest Washington. (General Fund-Federal)
- 20. Aquatic Invasive Species *** - Funding is provided to implement Senate Bill No. 5699 (Aquatic Invasive Species). If legislation is not enacted, funding shall lapse. (Freshwater Aquatic Algae Control Account-State)
- 21. Pacific Salmon Treaty** - One-time funding is provided to purchase six purse seine and three gill net licenses to meet the provisions of the United States/Canada salmon treaty.
- 22. Crab Pot Buoy Tag *** - Senate Bill 6033 (Crab Pot Buoy Tag) establishes a Washington coastal Dungeness crab pot buoy tag program. The bill authorizes the department to charge a fee to holders of a Dungeness crab - coastal or a Dungeness crab - coastal class B fishery license to pay for the production of Washington coastal crab pot buoy tags. Funding from revenues is provided to administer the Washington coastal Dungeness crab pot buoy tag program. (Washington Coastal Crab Pot Buoy Tag Account - Non Appropriated)
- 24. Grizzly Bear Education** - One-time unding is provided for the Grizzly Bear Outreach Project to disseminate accurate information about grizzly bears who reside in the North Cascades mountains, including the grizzly bear recovery process.
- 25. Reduce HSRG Funding** - State Wildlife Account funding for the implementation of hatchery reform recommendations activity as defined by the hatchery scientific review group is eliminated. Funding in the amount of \$450,000 of General Fund-State remains available for this activity. (State Wildlife Account-State)
- 27. Naselle Hatchery Operations & Maint** - Funding is provided to the department for the continued operation of the facility during the 2005-07 Biennium. This will increase production by 3 million Chinook, 1 million Coho, and 30,000 trout. (State Wildlife Account-State)
- 28. Ocean Policy Review Commission *** - One-time funding is provided to allow the department director or designee to serve on the Ocean Policy Review Commission and provide information to the Commission regarding the condition of the state's coastal and ocean resources and the development of proposals for dealing with coastal and ocean issues, pursuant to Substitute Senate Bill 5278 (Ocean Policy Commission). In the event the bill is not enacted, this funding will lapse.
- 29. Safety Equipment Upgrade** - One-time funding is provided for the Department to replace emergency communication equipment and to purchase ergonomic safety equipment. Radios will meet new Federal Communication Commission (FCC) standards and allow better communication between law enforcement agencies while the safety equipment will reduce injuries related to repetitive motion, material handling, and lifting hazards in the workplace thereby reducing the number of Department's L&I claims. (State Wildlife Account-State)

2005-07 Omnibus Operating Budget
Department of Fish and Wildlife

31. Wildlife Harvest Reports * - Failure to report hunting activity is currently a misdemeanor per RCW 77.15.280. Senate Bill 5227 (Wildlife Harvest Reports) would decriminalize non-compliance of hunter activity reporting and replace it with an administrative fine that is not to exceed \$10. Funding is provided for one staff to write rules and administer the program. In the event the bill is not enacted, this funding will lapse. (State Wildlife Account-State)

32. Hunter Access to Private Lands * - Senate Bill 5234 (Hunter Access) creates the hunter access program through a dedicated \$5 surcharge for residents and \$25 surcharge for non-residents on hunting licenses. The dedicated revenue provides grants for opening private lands to hunters and for managing litter, illegal activity, vandalism, signage, and monitoring hunter behavior. In the event the bill is not enacted, funding will lapse. (State Wildlife Account-State)

33. Primary Turkey Tag Isolation * - Funding is provided increase turkey management activities within the department to accomodate the increased hunter demand for this opportunity, pursuant to Senate Bill 5232 (Turkey Transport Tag). In the event the bill is not enacted, funding will lapse. (State Wildlife Account-State)

34. Big Game Hunting License * - Funding is provided to implement House Bill 1211 (multiple season big game permit). The bill grants the Fish and Wildlife Commission with the authority to offer a multiple season big game permit that allows the holder to hunt deer or elk during more than one general hunting season. (State Wildlife Account-State)

2005-07 Omnibus Operating Budget
Department of Natural Resources
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	91,225	314,445	91,225	314,445	91,225	314,445
2005-07 Maintenance Level	80,656	300,916	79,656	300,916	79,656	300,916
Policy Changes:						
1. Middle Management Reduction	-380	-1,451	-380	-1,451	-380	-1,451
2. Balance to Available Revenue	0	-3,165	0	8,035	0	-1,965
3. US v Washington (Culverts) Lawsuit	0	329	0	329	0	329
4. General Inflation	-548	-1,628	-548	-1,628	-548	-1,628
5. Contaminated Sediments	0	2,155	0	2,155	0	2,155
6. Aquatic Endangered Species Act	0	2,129	0	2,129	0	2,129
7. Seagrass Monitoring and Management	0	345	0	345	0	345
8. Aquatic Restoration Land Management	0	192	0	0	0	0
9. Shellfish Settlement	9,000	11,000	9,000	11,000	9,000	11,000
10. Correctional Camps	1,616	374	0	257	0	257
11. Dispersed Recreation	1,386	1,386	596	596	596	596
12. Height Modernization Grant	0	5,000	0	5,000	0	5,000
13. Fulfill Forest & Fish Commitments	2,900	2,900	2,300	2,300	1,700	1,700
14. Risk Management - Fire Shelters	304	608	0	608	0	608
15. Geoduck Harvest (E2SHB 1896)	0	0	0	138	0	138
16. Off-Road Vehicle Safety	0	0	0	0	0	852
17. RTA Systems Replacement Project	158	2,245	158	2,245	158	2,245
18. Forest Review Council	500	1,000	500	1,000	0	0
19. Ocean Policy Review	0	92	0	92	0	0
20. Increase Fire Suppression Funding	2,000	2,000	0	0	0	0
21. WCC-WDFW & DNR Cooperative Program	186	186	131	131	0	0
Total Policy Changes	17,122	25,697	11,757	33,281	10,526	22,310
Total 2005-07 Biennium	97,778	326,613	91,413	334,197	90,182	323,226
Difference from 2003-05	6,553	12,168	188	19,752	-1,043	8,781
% Change from 2003-05	7.2%	3.9%	0.2%	6.3%	-1.1%	2.8%

2005-07 Omnibus Operating Budget

Department of Natural Resources

Comments:

- 1. Middle Management Reduction** - Middle management positions are reduced.
- 2. Balance to Available Revenue** - Expenditure authority and FTE staff are reduced to match expected revenues in selected dedicated accounts. The agency will reduce silviculture on state lands, services to off-road vehicle sites, mapping and survey activities, oversight of dredge spoils disposal sites on state-owned aquatic lands, and surface mining regulation. The Senate proposed budget takes a smaller reduction because the budget grant authority to the department to temporarily raise its management fee for state lands to 30 percent. (State Nursery Revolving Account-Nonappropriated, various other funds)
- 3. US v Washington (Culverts) Lawsuit** - One-time funding is provided for Assistant Attorney General staff support for the US vs Washington State (Culverts) case. The court has framed the issue as whether the state is "affirmatively diminishing the number of fish available for harvest" by "build[ing] and manag[ing] its roadway culverts in a fashion that impermissibly blocks the passage of fish destined for the Tribes' usual and accustomed fishing ground." Agencies involved in the case include the departments of Transportation, Natural Resources, Fish and Wildlife, Ecology, and the Washington State Parks and Recreation Commission. (Forest Development Account-State, Resource Management Cost Account-State)
- 4. General Inflation** - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.
- 5. Contaminated Sediments** - One-time funding will complete clean-up of contaminated sediments in Commencement Bay and fulfill the state's obligations at other contaminated sites. (State Toxics Account-State)
- 6. Aquatic Endangered Species Act** - Funding and staffing are provided to continue the development of a plan to bring state-owned aquatic lands managed by the department into compliance with the federal Endangered Species Act. (Aquatic Land Enhancement Account-State)
- 7. Seagrass Monitoring and Management** - Eelgrass is a plant that grows in intertidal and shallow marine waters and estuaries, occupying over 200,000 acres on 37 percent of the state's shoreline. It plays a vital role in supporting commercially important fish, slowing coastal erosion, and providing food and shelter for birds and marine invertebrates. Eelgrass is impacted by human activity and is a good indicator of shoreline health. A combination of one-time and ongoing funding and staffing will perform intensive, site-specific monitoring and documentation of the relationships between stressors and eelgrass health. Results will assist decision makers in better protection and restoration of eelgrass habitat in the future. (Aquatic Lands Enhancement Account-State)
- 8. Aquatic Restoration Land Management** - A combination of one-time and ongoing funding and staffing is provided to fully staff the development and management of conservation and restoration projects on state-owned aquatic lands, an effort initiated during the 2003-05 Biennium. Conservation and restoration projects focus on such goals as improving public access to state-owned aquatic lands, restoring habitat, and improving water quality. (Aquatic Lands Enhancement Account-State)
- 9. Shellfish Settlement** - One-time funding is provided for Washington State to fulfill the terms of a U.S. District Court consent decree addressing implementation of tribal harvest of shellfish from tidelands used by commercial shellfish growers. This settlement will provide affected growers the exclusive, productive use of the private and leased tidelands that they have improved and cultivated for shellfish culture over the years. This appropriation is contingent upon a matching federal appropriation of \$22 million.

2005-07 Omnibus Operating Budget

Department of Natural Resources

10. Correctional Camps - Expenditure authority is shifted from General Fund-Private/Local to General Fund-State in order to maintain six trained and equipped ten-person inmate crews used for emergency fire suppression, maintenance of state lands, and recreation facility improvement. During the 2003-05 Biennium, the department was not successful in obtaining ongoing funding for these low-cost crews from other state and local agencies, as envisioned in the enacted budget. In addition, funding and staffing are provided for two additional inmate crews needed to meet the firefighting preparedness level recommended in a 1997 consultant study. (General Fund-State, General Fund-Private/Local)

11. Dispersed Recreation - The Department of Natural Resources (DNR) operates a system of 140 recreation sites and 1,100 miles of trails statewide. Some sites and trails are not eligible for funding from other sources available to DNR due to statutory restrictions, and have been threatened with closure in recent years when state general funds were reduced. A combination of one-time and ongoing funding is provided to keep open these 25 recreation sites and 140 miles of trails, to improve maintenance levels statewide, and to expand DNR's recreation-volunteer coordination capacity.

12. Height Modernization Grant - Federal spending authority and staffing are provided to the department to manage a statewide project to re-measure elevations and install global positioning reference stations. This project is funded by the U.S. Department of Commerce, National Oceanic and Atmospheric Administration. (General Fund-Federal)

13. Fulfill Forest & Fish Commitments - Additional resources are needed to fulfill compliance monitoring commitments expressed in the Forests & Fish Report (FFR) and to maintain the involvement of technical experts within the Department of Natural Resources (DNR) and other state agencies involved with FFR implementation. Compliance monitoring has been incorporated into the states' forest practices rules, and is part of the habitat conservation plan (HCP) the state is preparing to obtain federal Endangered Species Act and Clean Water Act assurances. DNR also needs additional resources to meet reporting requirements that are part of the implementation agreement governing the HCP, and to defend the HCP against anticipated legal challenges. The need for additional resources is new and will likely be further exacerbated by the eventual loss of \$4 million per year of federal funding that has been available for FFR implementation from FY 2001 through FY 2006.

14. Risk Management - Fire Shelters - A combination of one-time and ongoing funding is provided to acquire 1,830 new-generation emergency-protection shelters for firefighters. This will allow the department to complete an acquisition plan initiated in Fiscal Year 2004. New-generation shelters provide superior safety features, as compared to the shelters currently used. (General Fund-State, Forest Fire Protection Assessment Account-Nonappropriated)

15. Geoduck Harvest (E2SHB 1896) - Funding is provided to implement Engrossed Second Substitute House Bill 1896 (geoduck harvest). The bill directs the department to conduct several studies regarding geoducks in Hood Canal. (Resource Management Cost Account-State)

16. Off-Road Vehicle Safety - A combination of one-time and ongoing funding is provided for increased recreation program staff to perform duties such as developing management plans for each of DNR's off-road vehicle (ORV) trail systems, developing statewide standards for signs, and providing maps and brochures to promote user safety. In addition, funding is provided to produce and install signs at fourteen DNR recreation sites with high ORV usage. (Nonhighway and Off-Road Vehicle Program Account-State)

17. RTA Systems Replacement Project - A combination of one-time and ongoing funding and staffing is provided to complete the implementation phase of a new revenue management system funded in the 2003-05 Biennium, and to replace two related systems for timber and asset management. The new suite of systems will replace mainframe-based, unreliable applications with stable, easily-supported Web-based technology. They will allow the department to more easily manage trust revenues. (General Fund-State, Forest Development Account-State, Resource Management Cost Account-State, various other funds)

2005-07 Omnibus Operating Budget
Department of Natural Resources

18. Forest Review Council - Funding is provided for a review of the future of Washington's forest products industry, and expectations of future earnings from state granted lands. The review will be conducted by the University of Washington.

19. Ocean Policy Review - Funding is provided for the Ocean Policy Review Committee.

21. WCC-WDFW & DNR Cooperative Program - The Department of Natural Resources and the Department of Fish and Wildlife (WDFW) jointly operate a Washington Conservation Corps (WCC) program that serves both agencies. Corps crews, made up of young adults gaining work experience and possible college financial assistance, provide a cost-effective, on-the-ground workforce available for a variety of tasks, including trail building and maintenance, fencing, weed control, and firefighting. Funding and staffing are provided to enable four crews to operate year-round, rather than seasonally.

2005-07 Omnibus Operating Budget
Department of Agriculture
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	18,700	95,935	18,700	95,935	18,700	95,935
2005-07 Maintenance Level	19,187	98,859	19,187	98,859	19,187	98,859
Policy Changes:						
1. Middle Management Reduction	-128	-446	-128	-446	-128	-446
2. Livestock Nutrient Management	0	240	0	240	0	240
3. Sudden Oak Death	404	404	404	404	404	404
4. Pesticide Surface Water Monitoring	0	509	0	509	0	509
5. General Inflation	-57	-302	-57	-302	-57	-302
6. Washington Wine Brand	0	0	300	300	400	400
7. Small Farm Direct Marketing	0	0	150	150	150	150
8. Hop Technology Initiative	0	0	0	0	1,500	1,500
9. Poultry Disease Eradication	0	0	25	25	25	25
10. Market Access/Trade Barrier	0	0	500	500	1,000	1,000
11. Food Safety/Animal Health	0	0	466	466	466	466
12. Economic Impact of Agriculture	0	0	0	0	100	100
13. Agricultural Fair Study	73	73	73	73	0	0
14. Invasive Species Council	50	50	50	50	0	0
Total Policy Changes	342	528	1,783	1,969	3,860	4,046
Total 2005-07 Biennium	19,529	99,387	20,970	100,828	23,047	102,905
Difference from 2003-05	829	3,452	2,270	4,893	4,347	6,970
% Change from 2003-05	4.4%	3.6%	12.1%	5.1%	23.2%	7.3%

Comments:

1. Middle Management Reduction - Statewide, the number of middle management positions will be reduced by 1,000 positions by the end of the biennium. The reductions are phased in over the entire two year period. Funds are reduced to reflect the portion of the reduction attributable to this agency.

2. Livestock Nutrient Management - Legislation enacted in 2003 transferred the state's livestock nutrient management program from the Department of Ecology to the Department of Agriculture. Travel and attorney general costs, as well as the number of follow-up inspections needed, have been higher than anticipated at the time of the transfer. Funding and staffing are provided for additional legal, travel, and inspection costs. (Water Quality Account-State)

2005-07 Omnibus Operating Budget

Department of Agriculture

3. Sudden Oak Death - Sudden Oak Death (SOD) is a recently introduced plant disease that threatens the state's nursery industry and forest lands. Caused by a fungus-like organism, this disease attacks more than 60 different plant species, many of which are common to Washington State, including camellia, Douglas fir, and rhododendron. SOD has been found in 26 western Washington nurseries since it was first detected in 2003, and is stopped only through the destruction of affected plant materials. Ongoing funding and staffing will work to detect, contain, and eradicate SOD.

4. Pesticide Surface Water Monitoring - A combination of one-time and ongoing funding is provided to monitor pesticide residues in the Skagit River basin, a western Washington watershed of agricultural significance, to provide additional Washington-specific data for federal assessments of the potential pesticide risk to salmon. Pesticide data collected by the state from the Cedar-Sammamish and Lower Yakima basins has been used, and has influenced outcomes, in federal assessments of the effects of most pesticides named in the Washington Toxics Coalition v. Environmental Protection Agency lawsuit. (State Toxics Account-State)

5. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

6. Washington Wine Brand - A new branding campaign was created by the Washington Wine Industry to strengthen consumer awareness and create a brand identity for Washington wines. Funding is provided to support the implementation of the campaign.

7. Small Farm Direct Marketing - Funding is provided for the Small Farm and Direct Marketing Program. This program connects small farmers directly with consumers.

9. Poultry Disease Eradication - Funding is provided for indemnity payments for poultry that are ordered by the department to be slaughtered or destroyed.

10. Market Access/Trade Barrier - Funding is provided to enhance the department's market promotion and trade barrier grants program. Grants are provided to educate the public and promote Washington produce, improve access to foreign markets, develop and update data, and match buyers with sellers.

11. Food Safety/Animal Health - One-time funding is provided to complete a database application that would consolidate program information and enable the department to more effectively respond to a food safety or animal disease emergency.

13. Agricultural Fair Study - One time funding is provided for the department to conduct or contract for an economic impact study of fairs in the state of Washington.

14. Invasive Species Council - Funding is provided to allow the agency to support the Washington Invasive Species Council, created in the Office of the Governor pursuant to Substitute Senate Bill 5385 (Invasive Species Council) to address issues for combating and preventing harmful invasive species in the state. If the bill is not enacted, the amount provided will lapse.

2005-07 Omnibus Operating Budget
Washington State Patrol
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	61,713	90,702	61,713	90,702	61,713	90,702
2005-07 Maintenance Level	65,142	95,912	65,142	95,912	65,142	95,912
Policy Changes:						
1. Salary Equalization	252	252	242	242	242	242
2. Crime Lab Division Staffing	3,302	4,078	3,302	4,078	3,302	4,078
3. Convicted Offender DNA Analysis	1,296	1,327	1,296	1,327	1,296	1,327
4. Toxicology Lab Staffing	0	504	0	504	0	504
5. Electronic Fingerprint Checks	0	404	0	404	0	404
6. King Air Replacement	157	157	0	0	0	0
7. Middle Management Reduction	-268	-478	-268	-478	-268	-478
8. General Inflation	-127	-293	-127	-293	-127	-293
9. Watercraft Inspections - SB 5699	0	0	0	222	0	0
10. Registration Enforcement - HB 1241	0	0	250	250	0	0
Total Policy Changes	4,612	5,951	4,695	6,256	4,445	5,784
Total 2005-07 Biennium	69,754	101,863	69,837	102,168	69,587	101,696
Difference from 2003-05	8,041	11,161	8,124	11,466	7,874	10,994
% Change from 2003-05	13.0%	12.3%	13.2%	12.6%	12.8%	12.1%

Comments:

1. Salary Equalization - In addition to funds provided for a 1.6 percent salary increase on September 1, 2006, funds are also provided for an additional 3.4 percent salary increase for Washington State Patrol troopers in FY 2007 to address recruitment and retention issues.

2. Crime Lab Division Staffing - Funding is provided to increase staffing at the newly constructed Vancouver and Spokane crime laboratories and to address deficiencies in the delivery of forensic services to law enforcement agencies. (General Fund-State, Federal Narcotics Seizure Account, Death Investigations Account, DNA Data Base Account-State)

3. Convicted Offender DNA Analysis - Funding is provided for two forensic scientists and additional facility space at the Forensic Laboratory Services Bureau Headquarters in Seattle to analyze deoxyribonucleic acid (DNA) samples from felons and certain misdemeanants collected in accordance with Chapter 289, Laws of 2002. (General Fund-State, Death Investigations Account-State)

2005-07 Omnibus Operating Budget Washington State Patrol

4. Toxicology Lab Staffing - Three positions are funded to address significant caseload increases at the State Toxicology Laboratory. These additional positions will enable the lab to provide timely, accurate reporting of toxicology results to the state's criminal justice agencies for the investigation and prosecution of crimes where the suspect or victim may have been affected by drugs and/or alcohol. (Death Investigations Account-State)

5. Electronic Fingerprint Checks - Funding is provided for computer programming enhancements to accommodate the electronic processing of fingerprint-based background checks. The development of an interface to transfer data between the Automated Fingerprint Identification System (AFIS), the Washington State Identification System (WASIS) criminal history database, and the Paid Inquiry Document System (PIDS), will improve the dissemination of fingerprint-based background check information. (Fingerprint Identification Account-State)

7. Middle Management Reduction - Statewide, the number of middle management positions will be reduced by 1,000 positions by the end of the biennium. The reductions are phased in over the entire two year period. Funds are reduced to reflect the portion of the reduction attributable to this agency. (General Fund-State, various other funds)

8. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (General Fund-State, various other funds)

9. Watercraft Inspections - SB 5699 - Funding is provided to implement Engrossed Substitute Senate Bill 5699 (aquatic invasive species), which increases water vessel registration fees and deposits a portion of these moneys into a newly created Aquatic Invasive Species Prevention Account for aquatic invasive species prevention and enforcement. Additionally, the legislation directs the Washington State Patrol to inspect recreational watercraft. (Aquatic Invasive Species Prevention Account-State)

10. Registration Enforcement - HB 1241 - One-time funding is provided to support increased enforcement activities associated with HB 1241 (vehicle licensing and registration). HB 1241 increases penalties for failure to register a vehicle, and creates a penalty for registering a vehicle in another state to avoid in-state fees. If HB 1241 is not enacted by June 30, 2005, the funding shall lapse.

2005-07 Omnibus Operating Budget
Department of Licensing
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	10,481	35,882	10,481	35,882	10,481	35,882
2005-07 Maintenance Level	11,177	37,139	11,177	37,139	11,177	37,139
Policy Changes:						
1. Business License Simplification	0	1,653	0	0	0	0
2. Middle Management Reduction	-160	-388	-160	-388	-160	-388
3. General Inflation	-50	-92	-50	-92	-50	-92
4. Master License Service (HB 2131)	0	0	0	1,653	0	1,653
5. Real Estate Appraisers	0	186	0	186	0	186
6. Business and Professions Account	-7,685	0	-7,685	0	-7,685	0
7. Land Surveyors	0	14	0	0	0	0
8. Real Estate Appraiser Training	0	180	0	180	0	0
9. Vehicle License & Reg (HB 1241)	0	0	34	34	34	34
10. BPD License Query Systems	0	578	0	578	0	578
11. MLS Electronic Document Management	0	389	0	389	0	389
Total Policy Changes	-7,895	2,520	-7,861	2,540	-7,861	2,360
Total 2005-07 Biennium	3,282	39,659	3,316	39,679	3,316	39,499
Difference from 2003-05	-7,199	3,777	-7,165	3,797	-7,165	3,617
% Change from 2003-05	-68.7%	10.5%	-68.4%	10.6%	-68.4%	10.1%

Comments:

2. Middle Management Reduction - Middle management positions are reduced.

3. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

4. Master License Service (HB 2131) - Funding is provided funding for the Business License Simplification (BLS) initiative. This initiative will provide local governments with financial and technical assistance for modifying their business licensing processes and licensing systems to enable them to partner with the Master License Service. If legislation is not enacted by June 30, 2005, the funding lapses. (Master License Account-State)

2005-07 Omnibus Operating Budget
Department of Licensing

5. Real Estate Appraisers - Funding is appropriated for the department to hire an additional real estate appraiser investigator for the 2005-2007 biennium so the agency can process complaints in a timely manner. (Real Estate Appraiser Commission Account-State)

6. Business and Professions Account - Substitute House Bill No. 1394 established a business and professions account. The fees from licensing and regulating thirteen business and professions that had been deposited into the General Fund will now be deposited in this account. The business and professions are: auctioneers; landscape architects; private investigators; bail bond agents; employment agencies; sellers of travel; timeshares; cosmetologists, barbers, and manicurists; court reporters; security guards; collection agencies; camping resorts; and notaries public. If legislation is not enacted by June 30, 2005, the funding lapses. (General Fund-State, Business and Professions Account-State)

8. Real Estate Appraiser Training - Funding is adjusted and appropriated for the department to implement Senate Bill 5274, real estate appraisers' training. If legislation is not enacted by June 30, 2005, the funding lapses. (Real Estate Appraiser Commission Account-State)

9. Vehicle License & Reg (HB 1241) - Funding is provided for the implementation of House Bill No. 1241 (vehicle licensing and registration). If legislation is not enacted by June 30, 2005, the funding lapses. (General Fund-State)

10. BPD License Query Systems - Funding is appropriated to expand the Business and Professions Division's (BPD) license query systems to allow citizens, businesses, and government to check online if a service provider is licensed by DOL. (multiple funds)

11. MLS Electronic Document Management - Funding is appropriated to convert master license service business licensing documents from a paper and microfilm system to an electronically imaged system. (Master License Account-State)

2005-07 Omnibus Operating Budget
Public Schools
OSPI & Statewide Programs
(Dollars in Thousands)

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	42,285	136,363	42,285	136,363	42,285	136,363
2005-07 Maintenance Level	44,011	123,646	44,011	123,646	44,011	123,646
Policy Changes:						
1. Special Education Lawsuit	0	0	100	100	200	200
2. Responsibilities of K-12 Boards #	181	181	181	181	181	181
3. Washington Achievers Scholars	1,000	1,000	1,000	1,000	1,000	1,000
4. Middle Management Reduction	-185	-465	-185	-203	-185	-203
5. General Inflation	-136	-287	-136	-301	-136	-301
6. Assessment System Improvements #	-1,290	-1,290	-1,290	-1,290	-1,290	-1,290
7. Apportionment and Financial Systems	400	400	1,900	1,900	1,900	1,900
8. Core Student Record System	1,559	1,559	0	0	0	0
9. Alternative Routes to Teaching	-1,096	-1,096	-1,096	-1,096	0	0
10. Financial Literacy	0	0	0	0	50	50
11. School Nurse Workgroup	0	0	45	45	45	45
12. LASER Science Program	-1,080	-1,080	0	0	0	0
13. Environmental Ed Coordination	156	156	156	156	0	0
14. Dyslexia Pilot Program #	677	677	677	677	0	0
15. Women's Role in World War II	150	150	150	150	0	0
16. Internet Safety	40	40	40	40	0	0
17. Pacific Science Center	-1,224	-1,224	0	0	0	0
18. Non-Violence Leadership Training	-292	-292	0	0	0	0
Total Policy Changes	-1,140	-1,571	1,542	1,359	1,765	1,582
Total 2005-07 Biennium	42,871	122,075	45,553	125,005	45,776	125,228
Difference from 2003-05	586	-14,288	3,268	-11,358	3,491	-11,135
% Change from 2003-05	1.4%	-10.5%	7.7%	-8.3%	8.3%	-8.2%

Comments:

1. Special Education Lawsuit - Eleven school districts have filed a lawsuit in Thurston County Superior Court claiming that the state has underfunded special education based on an unconstitutional funding system. This lawsuit will require additional services from the Attorney General's Office, the costs of which will be billed to the Office of the Superintendent of Public Instruction (OSPI).

2005-07 Omnibus Operating Budget
Public Schools
OSPI & Statewide Programs

2. Responsibilities of K-12 Boards # - One staff position is added to the Professional Educator Standards Board to support the board in fulfilling its increased responsibilities related to educator certification under SB 5732 (K-12 governance).

3. Washington Achievers Scholars - The Washington Achievers Scholars program administered by the Washington Education Foundation provides mentorship and college scholarship opportunities to students in 16 high poverty, ethnically diverse high schools. The Foundation utilizes state and private funding sources to support this program. State funding is provided to hire additional Community Involvement Officers, who recruit, train, support, and match Hometown Mentors with students in these schools.

4. Middle Management Reduction - The Governor has directed that middle management be reduced by 1,000 positions by the end of the biennium. This item is this agency's share of the statewide amount.

5. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

6. Assessment System Improvements # - School district participation in national norm-referenced tests (Iowa Test of Basic Skills/Iowa Test of Educational Development) will no longer be mandatory. The nationally normed tests will remain available to districts that choose to offer the tests at their own expense. Washington will continue to participate in the National Assessment of Educational Progress (NAEP), which will provide a comparison of Washington student achievement relative to the rest of the nation.

7. Apportionment and Financial Systems - The current K-12 state funding system, providing over \$5 billion in state funds to 296 school districts, is dependent upon a COBOL program operating on a VAX-platform. Also operating on this system are processes that collect school district budget and expenditure information, staffing characteristics, and the student enrollments that drive the funding process. The VAX and COBOL systems are no longer supported by software and equipment manufacturers and are considered to be operating beyond their useful life cycle. The apportionment system will be replaced by the end of Fiscal Year 2008.

9. Alternative Routes to Teaching - Alternative certification routes are teacher-training programs that serve as alternatives to traditional teacher preparation programs. Approximately half of the state funding for the alternative route programs is eliminated. In implementing this reduction, the Professional Educator Standards Board will look for ways to achieve efficiency in program delivery and maintain the number interns involved in the programs.

11. School Nurse Workgroup - Funding is provided for a school nurse work group to review school nurse services in class I school districts.

13. Environmental Ed Coordination - Funding is provided for coordination and direct services to support schools in instruction around conservation, natural resources, sustainability, and human adaptation to the environment. Integration between these subject matters and science, math, social sciences and career and technical education, particularly agricultural and natural sciences education, is to be a major element.

14. Dyslexia Pilot Program # - Funding is provided for the implementation of a pilot program to implement research-based dyslexia instruction programs. The pilot is limited to 5 school districts geographically representative of the state.

2005-07 Omnibus Operating Budget
Public Schools
OSPI & Statewide Programs

15. Women's Role in World War II - Funding is provided to develop and disseminate curriculum and other materials documenting women's role in World War II.

16. Internet Safety - Funding is provided for the Safety Center Advisory Committee to develop and distribute a pamphlet to promote internet safety for children particularly in grades seven through twelve. The pamphlet will be posted on the superintendent of public instruction's web site. To the extent possible, the pamphlet shall be distributed in schools throughout the state and in other areas accessible to youth including but not limited to libraries and community centers.

2005-07 Omnibus Operating Budget
Public Schools
General Apportionment
(Dollars in Thousands)

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	8,099,444	8,099,444	8,099,444	8,099,444	8,099,444	8,099,444
2005-07 Maintenance Level	8,621,481	8,621,481	8,621,481	8,621,481	8,621,481	8,621,481
Policy Changes:						
1. Pension Method Change	-206,634	-206,634	-198,822	-198,822	-199,658	-199,658
2. CAS Minimum Salary Allocation \$45K	0	0	127	127	127	127
3. Skills Center Incentive Grants #	1,182	1,182	1,181	1,181	1,181	1,181
Total Policy Changes	-205,452	-205,452	-197,514	-197,514	-198,350	-198,350
Total 2005-07 Biennium	8,416,029	8,416,029	8,423,967	8,423,967	8,423,131	8,423,131
Difference from 2003-05	316,585	316,585	324,523	324,523	323,687	323,687
% Change from 2003-05	3.9%	3.9%	4.0%	4.0%	4.0%	4.0%

Comments:

1. Pension Method Change - Funding levels for employer contributions to the Public Employees' Retirement System (PERS), the Teachers' Retirement System (TRS), and the School Employees' Retirement System (SERS) are adjusted consistent with SHB 1044 (pension funding methodology). The following are suspended for the 2005-07 biennium: (1) contributions towards the cost of future gain-sharing benefits in plans 1 and 3 of PERS, TRS, and SERS; and (2) the cost of amortizing the Unfunded Accrued Actuarial Liabilities in PERS Plan 1 and TRS Plan 1. The Select Committee on Pension Policy will study gain sharing during FY 2005. A phased-in schedule of contribution rates is adopted for PERS, TRS, and SERS. The employee contribution rates in FY 2006 are 2.25 percent of pay for PERS Plan 2, 2.48 percent of pay for TRS Plan 2, and 2.75 percent of pay for SERS Plan 2. In FY 2007, the employee contribution rates are 3.50 percent of pay for PERS Plan 2, 3.00 percent of pay for TRS Plan 2, and 3.75 percent of pay for SERS Plan 2.

2. CAS Minimum Salary Allocation \$45K - The basis for state allocations for certificated administrative staff (CAS) salaries are base salaries identified in a LEAP document referenced in the operating budget bill. The base salaries are unique to each district and range from about \$30,000 for each state-funded CAS full-time-equivalent (FTE) to about \$75,000 for each state-funded CAS FTE. Consistent with the recommendations of the House Subcommittee on Education Finance Structures, funding is provided to establish a minimum base salary allocation of \$45,000 in the 2006-07 school year, which will increase the allocations to twenty-three school districts. The minimum allocation will increase each year by state-funded salary increase percentages.

3. Skills Center Incentive Grants # - Funding is provided for an incentive program to encourage school districts to provide students greater access to the ten Skills Centers.

2005-07 Omnibus Operating Budget
Public Schools
Pupil Transportation
(Dollars in Thousands)

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	441,741	441,741	441,741	441,741	441,741	441,741
2005-07 Maintenance Level	503,981	503,981	503,981	503,981	503,981	503,981
Policy Changes:						
1. School Bus Depreciation	-6,482	-6,482	-6,482	-6,482	-6,482	-6,482
2. Pension Method Change	-7,274	-7,274	-6,754	-6,754	-7,860	-7,860
3. One-Time Grant for Fuel Costs	1,534	1,534	0	0	0	0
Total Policy Changes	-12,222	-12,222	-13,236	-13,236	-14,342	-14,342
Total 2005-07 Biennium	491,759	491,759	490,745	490,745	489,639	489,639
Difference from 2003-05	50,018	50,018	49,004	49,004	47,898	47,898
% Change from 2003-05	11.3%	11.3%	11.1%	11.1%	10.8%	10.8%

Comments:

1. School Bus Depreciation - The Joint Legislative Audit and Review Committee issued its final report on K-12 School Bus Bidding and Purchasing in February 2005. It noted that the present method for reimbursing districts for school bus purchases results in wide annual fluctuations in state payments to districts. To address this issue, school bus depreciation payments will be based on a five-year average of prices for each bus category. In the final year on the depreciation schedule, the payment for a bus will be adjusted so that the total depreciation payments and assumed investment returns will be sufficient to replace the bus according to the current low bid price for that bus category. These changes provide additional stability and predictability for state expenditures and school district revenues, and the current policy of providing the replacement value by the end of the depreciation payments is maintained.

2. Pension Method Change - Funding levels for employer contributions to the Public Employees' Retirement System (PERS), the Teachers' Retirement System (TRS), and the School Employees' Retirement System (SERS) are adjusted consistent with SHB 1044 (pension funding methodology). The following are suspended for the 2005-07 biennium: (1) contributions towards the cost of future gain-sharing benefits in plans 1 and 3 of PERS, TRS, and SERS; and (2) the cost of amortizing the Unfunded Accrued Actuarial Liabilities in PERS Plan 1 and TRS Plan 1. The Select Committee on Pension Policy will study gain sharing during FY 2005. A phased-in schedule of contribution rates is adopted for PERS, TRS, and SERS. The employee contribution rates in FY 2006 are 2.25 percent of pay for PERS Plan 2, 2.48 percent of pay for TRS Plan 2, and 2.75 percent of pay for SERS Plan 2. In FY 2007, the employee contribution rates are 3.50 percent of pay for PERS Plan 2, 3.00 percent of pay for TRS Plan 2, and 3.75 percent of pay for SERS Plan 2.

2005-07 Omnibus Operating Budget
Public Schools
School Food Services
(Dollars in Thousands)

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	6,200	363,121	6,200	363,121	6,200	363,121
2005-07 Maintenance Level	6,200	402,089	6,200	402,089	6,200	402,089
Policy Changes:						
1. School Breakfast Programs (HB 1771)	0	0	106	1,477	106	1,477
Total Policy Changes	0	0	106	1,477	106	1,477
Total 2005-07 Biennium	6,200	402,089	6,306	403,566	6,306	403,566
Difference from 2003-05	0	38,968	106	40,445	106	40,445
% Change from 2003-05	0.0%	10.7%	1.7%	11.1%	1.7%	11.1%

Comments:

1. School Breakfast Programs (HB 1771) - Under HB 1771 (school meal program), school districts will be required to provide school breakfast programs in schools in which more than 40 percent of the students qualify for free or reduced price meals. Funding is provided to reimburse school districts for these breakfasts. (General Fund-State and General Fund-Federal)

2005-07 Omnibus Operating Budget
Public Schools
Special Education
(Dollars in Thousands)

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	876,474	1,303,587	876,474	1,303,587	876,474	1,303,587
2005-07 Maintenance Level	925,238	1,357,996	925,238	1,357,996	925,238	1,357,996
Policy Changes:						
1. Special Education Safety Net	18,945	21,897	18,940	21,892	54,400	57,352
2. Pension Method Change	-23,291	-23,548	-22,397	-22,644	-22,523	-22,771
3. Special Education Funding	0	0	10,197	10,197	0	0
4. CAS Minimum Salary Allocation \$45K	0	0	15	16	16	16
Total Policy Changes	-4,346	-1,651	6,755	9,461	31,893	34,597
Total 2005-07 Biennium	920,892	1,356,345	931,993	1,367,457	957,131	1,392,593
Difference from 2003-05	44,418	52,758	55,519	63,870	80,657	89,006
% Change from 2003-05	5.1%	4.0%	6.3%	4.9%	9.2%	6.8%

Comments:

1. Special Education Safety Net - Funding for the special education safety net is increased to reflect the net impact of two rule changes. The application threshold for individual high cost students, based on services provided in their individual education plan or IEP, is increased to match the new federal definition for high cost. In addition, the current maintenance of effort requirement is eliminated in the school district application form documenting financial need. This change will provide greater equity among districts and allow more districts to access the safety net grant process. (General Fund-State, General Fund-Federal)

2. Pension Method Change - Funding levels for employer contributions to the Public Employees' Retirement System (PERS), the Teachers' Retirement System (TRS), and the School Employees' Retirement System (SERS) are adjusted consistent with SHB 1044 (pension funding methodology). The following are suspended for the 2005-07 biennium: (1) contributions towards the cost of future gain-sharing benefits in plans 1 and 3 of PERS, TRS, and SERS; and (2) the cost of amortizing the Unfunded Accrued Actuarial Liabilities in PERS Plan 1 and TRS Plan 1. The Select Committee on Pension Policy will study gain sharing during FY 2005. A phased-in schedule of contribution rates is adopted for PERS, TRS, and SERS. The employee contribution rates in FY 2006 are 2.25 percent of pay for PERS Plan 2, 2.48 percent of pay for TRS Plan 2, and 2.75 percent of pay for SERS Plan 2. In FY 2007, the employee contribution rates are 3.50 percent of pay for PERS Plan 2, 3.00 percent of pay for TRS Plan 2, and 3.75 percent of pay for SERS Plan 2.

3. Special Education Funding - School districts across the state have been voicing concerns over the resources available to serve special education students. State funding provided for special education students is increased by \$48 per student.

2005-07 Omnibus Operating Budget
Public Schools
Special Education

4. CAS Minimum Salary Allocation \$45K - The basis for state allocations for certificated administrative staff (CAS) salaries are base salaries identified in a LEAP document referenced in the operating budget bill. The base salaries are unique to each district and range from about \$30,000 for each state-funded CAS full-time-equivalent (FTE) to about \$75,000 for each state-funded CAS FTE. Consistent with the recommendations of the House Subcommittee on Education Finance Structures, funding is provided to establish a minimum base salary allocation of \$45,000 in the 2006-07 school year, which will increase the allocations to twenty-three school districts. The minimum allocation will increase each year by state-funded salary increase percentages.

2005-07 Omnibus Operating Budget
Public Schools
Educational Service Districts
(Dollars in Thousands)

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	7,177	7,177	7,177	7,177	7,177	7,177
2005-07 Maintenance Level	7,608	7,608	7,608	7,608	7,608	7,608
Policy Changes:						
1. Pension Method Change	-204	-204	-191	-191	-207	-207
2. CAS Minimum Salary Allocation \$45K	0	0	1	1	1	1
Total Policy Changes	-204	-204	-190	-190	-206	-206
Total 2005-07 Biennium	7,404	7,404	7,418	7,418	7,402	7,402
Difference from 2003-05	227	227	241	241	225	225
% Change from 2003-05	3.2%	3.2%	3.4%	3.4%	3.1%	3.1%

Comments:

1. Pension Method Change - Funding levels for employer contributions to the Public Employees' Retirement System (PERS), the Teachers' Retirement System (TRS), and the School Employees' Retirement System (SERS) are adjusted consistent with SHB 1044 (pension funding methodology). The following are suspended for the 2005-07 biennium: (1) contributions towards the cost of future gain-sharing benefits in plans 1 and 3 of PERS, TRS, and SERS; and (2) the cost of amortizing the Unfunded Accrued Actuarial Liabilities in PERS Plan 1 and TRS Plan 1. The Select Committee on Pension Policy will study gain sharing during FY 2005. A phased-in schedule of contribution rates is adopted for PERS, TRS, and SERS. The employee contribution rates in FY 2006 are 2.25 percent of pay for PERS Plan 2, 2.48 percent of pay for TRS Plan 2, and 2.75 percent of pay for SERS Plan 2. In FY 2007, the employee contribution rates are 3.50 percent of pay for PERS Plan 2, 3.00 percent of pay for TRS Plan 2, and 3.75 percent of pay for SERS Plan 2.

2. CAS Minimum Salary Allocation \$45K - The basis for state allocations for certificated administrative staff (CAS) salaries are base salaries identified in a LEAP document referenced in the operating budget bill. The base salaries are unique to each district and range from about \$30,000 for each state-funded CAS full-time-equivalent (FTE) to about \$75,000 for each state-funded CAS FTE. Consistent with the recommendations of the House Subcommittee on Education Finance Structures, funding is provided to establish a minimum base salary allocation of \$45,000 in the 2006-07 school year, which will increase the allocations to twenty-three school districts. The minimum allocation will increase each year by state-funded salary increase percentages.

2005-07 Omnibus Operating Budget
Public Schools
Levy Equalization
(Dollars in Thousands)

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	328,627	328,627	328,627	328,627	328,627	328,627
2005-07 Maintenance Level	370,089	370,089	370,089	370,089	370,089	370,089
Policy Changes:						
1. Levy Equalization #	0	0	-12,922	-12,922	-34,006	-34,006
Total Policy Changes	0	0	-12,922	-12,922	-34,006	-34,006
Total 2005-07 Biennium	370,089	370,089	357,167	357,167	336,083	336,083
Difference from 2003-05	41,462	41,462	28,540	28,540	7,456	7,456
% Change from 2003-05	12.6%	12.6%	8.7%	8.7%	2.3%	2.3%

Comments:

1. Levy Equalization # - In the 2005-07 Biennium, levy equalization payments to school districts will be prorated at 95.63 percent. Local Effort Assistance, or levy equalization, allocations to school districts are expected to increase by \$12.3 million from the 2004-05 school year to the 2005-06 school year and by another \$5.6 million from the 2005-06 year to the 2006-07 school year.

2005-07 Omnibus Operating Budget
Public Schools
Elementary & Secondary School Improvement
(Dollars in Thousands)

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	0	42,817	0	42,817	0	42,817
2005-07 Maintenance Level	0	22,084	0	22,084	0	22,084
Total 2005-07 Biennium	0	22,084	0	22,084	0	22,084
Difference from 2003-05	0	-20,733	0	-20,733	0	-20,733
% Change from 2003-05	0.0%	-48.4%	0.0%	-48.4%	0.0%	-48.4%

Comments:

2005-07 Omnibus Operating Budget
Public Schools
Institutional Education
(Dollars in Thousands)

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	36,902	36,902	36,902	36,902	36,902	36,902
2005-07 Maintenance Level	39,732	39,732	39,732	39,732	39,732	39,732
Policy Changes:						
1. Pension Method Change	-997	-997	-975	-975	-954	-954
Total Policy Changes	-997	-997	-975	-975	-954	-954
Total 2005-07 Biennium	38,735	38,735	38,757	38,757	38,778	38,778
Difference from 2003-05	1,833	1,833	1,855	1,855	1,876	1,876
% Change from 2003-05	5.0%	5.0%	5.0%	5.0%	5.1%	5.1%

Comments:

1. Pension Method Change - Funding levels for employer contributions to the Public Employees' Retirement System (PERS), the Teachers' Retirement System (TRS), and the School Employees' Retirement System (SERS) are adjusted consistent with SHB 1044 (pension funding methodology). The following are suspended for the 2005-07 biennium: (1) contributions towards the cost of future gain-sharing benefits in plans 1 and 3 of PERS, TRS, and SERS; and (2) the cost of amortizing the Unfunded Accrued Actuarial Liabilities in PERS Plan 1 and TRS Plan 1. The Select Committee on Pension Policy will study gain sharing during FY 2005. A phased-in schedule of contribution rates is adopted for PERS, TRS, and SERS. The employee contribution rates in FY 2006 are 2.25 percent of pay for PERS Plan 2, 2.48 percent of pay for TRS Plan 2, and 2.75 percent of pay for SERS Plan 2. In FY 2007, the employee contribution rates are 3.50 percent of pay for PERS Plan 2, 3.00 percent of pay for TRS Plan 2, and 3.75 percent of pay for SERS Plan 2.

2005-07 Omnibus Operating Budget
Public Schools
Education of Highly Capable Students
(Dollars in Thousands)

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	13,446	13,446	13,446	13,446	13,446	13,446
2005-07 Maintenance Level	14,083	14,083	14,083	14,083	14,083	14,083
Policy Changes:						
1. Pension Method Change	<u>-307</u>	<u>-307</u>	<u>-297</u>	<u>-297</u>	<u>-291</u>	<u>-291</u>
Total Policy Changes	-307	-307	-297	-297	-291	-291
Total 2005-07 Biennium	13,776	13,776	13,786	13,786	13,792	13,792
Difference from 2003-05	330	330	340	340	346	346
% Change from 2003-05	2.5%	2.5%	2.5%	2.5%	2.6%	2.6%

Comments:

1. Pension Method Change - Funding levels for employer contributions to the Public Employees' Retirement System (PERS), the Teachers' Retirement System (TRS), and the School Employees' Retirement System (SERS) are adjusted consistent with SHB 1044 (pension funding methodology). The following are suspended for the 2005-07 biennium: (1) contributions towards the cost of future gain-sharing benefits in plans 1 and 3 of PERS, TRS, and SERS; and (2) the cost of amortizing the Unfunded Accrued Actuarial Liabilities in PERS Plan 1 and TRS Plan 1. The Select Committee on Pension Policy will study gain sharing during FY 2005. A phased-in schedule of contribution rates is adopted for PERS, TRS, and SERS. The employee contribution rates in FY 2006 are 2.25 percent of pay for PERS Plan 2, 2.48 percent of pay for TRS Plan 2, and 2.75 percent of pay for SERS Plan 2. In FY 2007, the employee contribution rates are 3.50 percent of pay for PERS Plan 2, 3.00 percent of pay for TRS Plan 2, and 3.75 percent of pay for SERS Plan 2.

2005-07 Omnibus Operating Budget
Public Schools
Student Achievement Program
(Dollars in Thousands)

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	409,642	409,642	409,642	409,642	409,642	409,642
2005-07 Maintenance Level	629,356	629,356	629,356	629,356	629,356	629,356
Total 2005-07 Biennium	629,356	629,356	629,356	629,356	629,356	629,356
Difference from 2003-05	219,714	219,714	219,714	219,714	219,714	219,714
% Change from 2003-05	53.6%	53.6%	53.6%	53.6%	53.6%	53.6%

Comments:

2005-07 Omnibus Operating Budget
Public Schools
Education Reform
(Dollars in Thousands)

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	76,122	203,248	76,122	203,248	76,122	203,248
2005-07 Maintenance Level	78,280	202,554	78,280	202,554	78,280	202,554
Policy Changes:						
1. Responsibilities of K-12 Boards #	-620	-620	-620	-620	-620	-620
2. Science WASL	4,471	4,471	4,471	4,471	4,471	4,471
3. Middle Management Reduction	-26	-30	-26	-30	-26	-30
4. Eliminate Readiness to Learn Grants	0	0	0	0	-7,188	-7,188
5. Reading Corps	-7,426	-7,426	-5,726	-5,726	-5,726	-5,726
6. General Inflation	-47	-93	-47	-93	-47	-93
7. Principal Support Program	0	0	50	50	100	100
8. Assessment System Improvements #	4,832	4,832	4,445	4,445	4,445	4,445
9. National Board Certification Bonus	-5,044	-5,044	0	0	0	0
10. Early Reading Grant Program	0	0	250	250	520	520
11. Reading Model Implementation	0	0	250	250	1,000	1,000
12. Focused Asst to High Sch and Dists	0	0	2,000	2,000	2,000	2,000
13. Diagnostic Assessments for Reading	0	0	0	0	500	500
14. Web-Based Instructional Network	-252	-252	0	0	0	0
15. Transfer to Capital Budget	-3,918	-3,918	0	0	0	0
Total Policy Changes	-8,030	-8,080	5,047	4,997	-571	-621
Total 2005-07 Biennium	70,250	194,474	83,327	207,551	77,709	201,933
Difference from 2003-05	-5,872	-8,774	7,205	4,303	1,587	-1,315
% Change from 2003-05	-7.7%	-4.3%	9.5%	2.1%	2.1%	-0.6%

Comments:

1. Responsibilities of K-12 Boards # - Consistent with SB 5732 (K-12 governance), funding for the Academic Achievement and Accountability Commission is eliminated.

2. Science WASL - In FY 2006, there are insufficient federal funds to cover the federally mandated reading and math assessments in grades 3, 5, 6, and 8 and the development and implementation of a new science assessment which will be required by the federal government in 2008. For this reason, the costs to administer and score the Washington Assessment of Student Learning (WASL) for science are supported with state funding.

2005-07 Omnibus Operating Budget
Public Schools
Education Reform

3. Middle Management Reduction - The Governor has directed that middle management be reduced by 1,000 positions by the end of the biennium. This item is this agency's share of the statewide amount.

5. Reading Corps - State funding for the Reading Corps Program is reduced.

6. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

7. Principal Support Program - The Principal Support Program provides assistance, assessment, and mentoring to improve the skills of principals. Additional principals will be served through the program in the 2005-07 Biennium. The additional funding is provided to serve middle and high school principals.

8. Assessment System Improvements # - The 2004 Legislature, while defining the graduation requirements for 2008 to include demonstrated mastery of state standards, also provided policy support for multiple re-take opportunities for students and the development of options for an objective alternative assessment. Funding is provided for the development of options for an objective alternative assessment and for school districts to offer a late August or fall retake opportunity.

10. Early Reading Grant Program - Funding is provided for an Early Reading Grant Program for community-based initiatives that develop pre-reading and early reading skills through parental and community involvement, public awareness, coordination of resources, and partnerships with local school districts.

11. Reading Model Implementation - The Superintendent will provide to school districts reviews of reading curriculum programs and information and training on reading diagnostic assessments.

12. Focused Asst to High Sch and Dists - Funding is provided to expand the Focused Assistance Program to high schools and districts. This funding will be matched by a private, non-profit foundation.

2005-07 Omnibus Operating Budget
Public Schools
Transitional Bilingual Instruction
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	106,705	151,249	106,705	151,249	106,705	151,249
2005-07 Maintenance Level	126,603	172,164	126,603	172,164	126,603	172,164
Policy Changes:						
1. Pension Method Change	-3,519	-3,519	-3,397	-3,397	-3,318	-3,318
2. CAS Minimum Salary Allocation \$45K	0	0	2	2	2	2
Total Policy Changes	-3,519	-3,519	-3,395	-3,395	-3,316	-3,316
Total 2005-07 Biennium	123,084	168,645	123,208	168,769	123,287	168,848
Difference from 2003-05	16,379	17,396	16,503	17,520	16,582	17,599
% Change from 2003-05	15.3%	11.5%	15.5%	11.6%	15.5%	11.6%

Comments:

1. Pension Method Change - Funding levels for employer contributions to the Public Employees' Retirement System (PERS), the Teachers' Retirement System (TRS), and the School Employees' Retirement System (SERS) are adjusted consistent with SHB 1044 (pension funding methodology). The following are suspended for the 2005-07 biennium: (1) contributions towards the cost of future gain-sharing benefits in plans 1 and 3 of PERS, TRS, and SERS; and (2) the cost of amortizing the Unfunded Accrued Actuarial Liabilities in PERS Plan 1 and TRS Plan 1. The Select Committee on Pension Policy will study gain sharing during FY 2005. A phased-in schedule of contribution rates is adopted for PERS, TRS, and SERS. The employee contribution rates in FY 2006 are 2.25 percent of pay for PERS Plan 2, 2.48 percent of pay for TRS Plan 2, and 2.75 percent of pay for SERS Plan 2. In FY 2007, the employee contribution rates are 3.50 percent of pay for PERS Plan 2, 3.00 percent of pay for TRS Plan 2, and 3.75 percent of pay for SERS Plan 2.

2. CAS Minimum Salary Allocation \$45K - The basis for state allocations for certificated administrative staff (CAS) salaries are base salaries identified in a LEAP document referenced in the operating budget bill. The base salaries are unique to each district and range from about \$30,000 for each state-funded CAS full-time-equivalent (FTE) to about \$75,000 for each state-funded CAS FTE. Consistent with the recommendations of the House Subcommittee on Education Finance Structures, funding is provided to establish a minimum base salary allocation of \$45,000 in the 2006-07 school year, which will increase the allocations to twenty-three school districts. The minimum allocation will increase each year by state-funded salary increase percentages.

2005-07 Omnibus Operating Budget
Public Schools
Learning Assistance Program (LAP)
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	130,023	431,345	130,023	431,345	130,023	431,345
2005-07 Maintenance Level	134,530	477,757	134,530	477,757	134,530	477,757
Policy Changes:						
1. Pension Method Change	-3,478	-3,478	-3,729	-3,729	-3,776	-3,776
2. Expand Learning Assistance Pgm #	17,188	17,188	24,605	24,605	29,510	29,510
Total Policy Changes	13,710	13,710	20,876	20,876	25,734	25,734
Total 2005-07 Biennium	148,240	491,467	155,406	498,633	160,264	503,491
Difference from 2003-05	18,217	60,122	25,383	67,288	30,241	72,146
% Change from 2003-05	14.0%	13.9%	19.5%	15.6%	23.3%	16.7%

Comments:

1. Pension Method Change - Funding levels for employer contributions to the Public Employees' Retirement System (PERS), the Teachers' Retirement System (TRS), and the School Employees' Retirement System (SERS) are adjusted consistent with SHB 1044 (pension funding methodology). The following are suspended for the 2005-07 biennium: (1) contributions towards the cost of future gain-sharing benefits in plans 1 and 3 of PERS, TRS, and SERS; and (2) the cost of amortizing the Unfunded Accrued Actuarial Liabilities in PERS Plan 1 and TRS Plan 1. The Select Committee on Pension Policy will study gain sharing during FY 2005. A phased-in schedule of contribution rates is adopted for PERS, TRS, and SERS. The employee contribution rates in FY 2006 are 2.25 percent of pay for PERS Plan 2, 2.48 percent of pay for TRS Plan 2, and 2.75 percent of pay for SERS Plan 2. In FY 2007, the employee contribution rates are 3.50 percent of pay for PERS Plan 2, 3.00 percent of pay for TRS Plan 2, and 3.75 percent of pay for SERS Plan 2.

2. Expand Learning Assistance Pgm # - The Learning Assistance Program (LAP) funding formula is changed to recognize the learning and instructional challenges in different districts by using poverty as a proxy measure. Districts will receive funding based on the percentage of students eligible for free or reduced price lunch. Districts with more than 40 percent of students eligible for free or reduced price lunch will receive additional funding to recognize the greater challenges in areas with a higher concentration of families living in poverty. Overall funding for the LAP program is increased to provide school districts with additional resources to serve high school students who have not met state standards on the 10th grade WASL. Funding is also provided so that districts that are projected to receive less funding under the new formula would still be allocated at least the same amount of LAP funding the district received in the 2004-05 school year.

2005-07 Omnibus Operating Budget
Public Schools
Compensation Adjustments
(Dollars in Thousands)

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	0	0	0	0	0	0
2005-07 Maintenance Level	138,975	139,581	138,975	139,581	138,975	139,581
Policy Changes:						
1. Health Benefit Changes	135,082	135,679	126,196	126,614	129,149	129,722
2. Pension Method Change	-4,827	-4,835	-4,378	-4,385	-4,530	-4,538
3. Special Education Funding	0	0	153	0	0	0
4. Expand Learning Assistance Pgm #	260	260	470	470	551	551
5. CAS Minimum Salary Allocation \$45K	0	0	3	3	4	4
Total Policy Changes	130,515	131,104	122,444	122,702	125,174	125,739
Total 2005-07 Biennium	269,490	270,685	261,419	262,283	264,149	265,320
Difference from 2003-05	269,490	270,685	261,419	262,283	264,149	265,320
% Change from 2003-05	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Comments:

1. Health Benefit Changes - Continued increases in health care costs are expected over the 2005-07 Biennium. The monthly allocation for health benefits is increased from \$582.47 per FTE staff in the 2004-05 school year to \$629.07 in the 2005-06 school year and to \$679.39 in the 2006-07 school year. (General Fund-State, General Fund-Federal)

2. Pension Method Change - Funding levels for employer contributions to the Public Employees' Retirement System (PERS), the Teachers' Retirement System (TRS), and the School Employees' Retirement System (SERS) are adjusted consistent with SHB 1044 (pension funding methodology). The following are suspended for the 2005-07 biennium: (1) contributions towards the cost of future gain-sharing benefits in plans 1 and 3 of PERS, TRS, and SERS; and (2) the cost of amortizing the Unfunded Accrued Actuarial Liabilities in PERS Plan 1 and TRS Plan 1. The Select Committee on Pension Policy will study gain sharing during FY 2005. A phased-in schedule of contribution rates is adopted for PERS, TRS, and SERS. The employee contribution rates in FY 2006 are 2.25 percent of pay for PERS Plan 2, 2.48 percent of pay for TRS Plan 2, and 2.75 percent of pay for SERS Plan 2. In FY 2007, the employee contribution rates are 3.50 percent of pay for PERS Plan 2, 3.00 percent of pay for TRS Plan 2, and 3.75 percent of pay for SERS Plan 2.

3. Special Education Funding - Changes in the Special Education formula result in more state-funded staff salaries allocated to districts, which increases the cost of providing compensation changes.

4. Expand Learning Assistance Pgm # - Changes in the Learning Assistance Program (LAP) formula result in more state-funded staff salaries allocated to districts through the LAP program, which increases the cost of providing compensation changes.

2005-07 Omnibus Operating Budget
Public Schools
Compensation Adjustments

5. CAS Minimum Salary Allocation \$45K - The basis for state allocations for certificated administrative staff (CAS) salaries are base salaries identified in a LEAP document referenced in the operating budget bill. The base salaries are unique to each district and range from about \$30,000 for each state-funded CAS full-time-equivalent (FTE) to about \$75,000 for each state-funded CAS FTE. Consistent with the recommendations of the House Subcommittee on Education Finance Structures, funding is provided to establish a minimum base salary allocation of \$45,000 in the 2006-07 school year, which will increase the cost of providing salary increase allocations.

2005-07 Omnibus Operating Budget
Public Schools
Common School Construction
(Dollars in Thousands)

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	0	0	0	0	0	0
2005-07 Maintenance Level	0	0	0	0	0	0
Policy Changes:						
1. Transfers to School Construction	0	134,437	0	129,737	0	135,245
Total Policy Changes	0	134,437	0	129,737	0	135,245
Total 2005-07 Biennium	0	134,437	0	129,737	0	135,245
Difference from 2003-05	0	134,437	0	129,737	0	135,245
% Change from 2003-05	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Comments:

1. Transfers to School Construction - A total of \$30 million from the Education Savings Account and \$99.7 million from the Education Construction Account will be deposited in the Common School Construction Account for the state matching funds for K-12 school construction projects. (Education Construction Account, Education Savings Account)

2005-07 Omnibus Operating Budget
Higher Education Coordinating Board
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	325,131	342,486	325,131	342,486	325,131	342,486
2005-07 Maintenance Level	330,185	360,147	330,185	360,147	330,185	360,147
Policy Changes:						
1. Washington Scholars	623	623	435	435	105	105
2. Promise Scholarship	-12,617	-12,617	-12,617	-12,617	-277	-277
3. WAVE Program	-9	-9	-49	-49	-49	-49
4. State Work Study	2,916	2,916	2,856	2,856	3,071	3,071
5. Jefferson County Pilot Project	350	350	350	350	350	350
6. COLA-Nonrepresented	288	396	0	0	0	0
7. General Inflation	-14	-57	-14	-57	-14	-57
8. Conditional Scholarships	0	0	500	500	500	500
9. English and Science Readiness	600	600	600	600	0	0
10. Foster Care Endowed Scholarship	0	0	150	150	150	150
11. State Need Grant	108,404	108,404	69,659	69,659	33,570	33,570
12. Pension Policy Adjustment	-191	-259	0	0	0	0
13. Part Time Student Financial Aid	0	0	0	0	500	500
Total Policy Changes	100,350	100,347	61,870	61,827	37,906	37,863
Total 2005-07 Biennium	430,535	460,494	392,055	421,974	368,091	398,010
Difference from 2003-05	105,404	118,008	66,924	79,488	42,960	55,524
% Change from 2003-05	32.4%	34.5%	20.6%	23.2%	13.2%	16.2%

Comments:

1. Washington Scholars - Funding is provided for three students in FY 06 and two students in FY 07 from each legislative district to receive a scholarship equivalent to four years of tuition at a public institution of higher education. The Legislature assumes savings from the reduction in the number of recipient are directed to the State Need Grant.

2. Promise Scholarship - The Legislature eliminates the Promise Scholarship program and assumes all savings are directed to the State Need Grant. Because the Promise Scholarship is a 2-year award, funding is reduced by one-half in FY 2006 and eliminated in FY 2007. No Promise Scholarship awards will be offered to students beyond the graduating high school class of 2004.

2005-07 Omnibus Operating Budget Higher Education Coordinating Board

April 23, 2005
12:57 pm

3. WAVE Program - Funding for the Washington Award for Vocational Excellence (WAVE) is reduced, consistent with forecasted demand. Grants will still cover 100 percent of tuition and fees for eligible students.

4. State Work Study - Funding for the State Work Study Program is provided for additional enrollment and hold eligible students harmless from annual tuition increases. (Education Legacy Trust Account)

5. Jefferson County Pilot Project - Continued funding is provided for a demonstration project to increase opportunities and participation in postsecondary education in rural areas of Jefferson County.

6. COLA-Nonrepresented - Funding is provided to give cost-of-living adjustments of 3.2 percent on September 1, 2005 and 1.6 percent on September 1, 2006 to non-represented employees.

7. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (General Fund-State, General Fund-Federal)

8. Conditional Scholarships - Funding is provided to support the Future Teachers' Conditional Scholarship and Loan Repayment Program. Priority will be given to individuals seeking certification or an additional endorsement in math, science, technology, or special education. Additional priority shall be given to individuals who are bilingual. It is the intent of the Legislature to develop a pool of dual-language teachers in order to meet the challenge of educating students who are dominant in languages other than English.

9. English and Science Readiness - Funding is provided to develop college readiness standards in English and science.

10. Foster Care Endowed Scholarship - Funding is provided to implement House Bill 1050 (foster care endowed scholarship program). The purpose of the program is to help current foster care youth, or foster care youth who have recently aged out of the program. attend an institution of higher education in the Washington.

11. State Need Grant - Funding is provided to expand the State Need Grant (SNG) to 65% of the median family income, approximately \$43,300 for a family of four. The funding assumes tuition increases of 7%, 6% and 5% per year for the research institutions, comprehensive institutions and community and technical colleges, respectively, and 7,900 additional enrollments. (General Fund-State, Education Legacy Trust Account)

2005-07 Omnibus Operating Budget
University of Washington
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	636,750	3,630,263	636,750	3,630,263	636,750	3,630,263
2005-07 Maintenance Level	660,830	3,699,533	660,830	3,699,533	660,830	3,699,533
Policy Changes:						
1. Burke Museum Outreach	0	0	292	292	740	740
2. General Enrollments	9,570	9,570	10,748	17,399	15,750	24,786
3. Lower Division Planning Funds	500	500	200	200	200	200
4. Life Science Research	2,430	2,430	0	0	0	0
5. Super Coalition Health Benefits	4,151	19,527	4,151	19,527	4,151	19,527
6. Classification Revisions	130	250	130	250	130	250
7. COLA-Nonrepresented	21,885	60,020	19,223	53,580	21,885	60,020
8. Nonrepresented Health Benefit Chg	4,446	15,139	4,446	15,139	4,446	15,139
9. Salary Survey-Nonrep Staff	713	14,872	713	14,872	713	14,872
10. General Inflation	-7	-25,562	-7	-25,562	-7	-25,562
11. Other Fund Adjustments	0	-261	0	-261	0	-261
12. Bargaining Agreement with SEIU 925	3,705	3,705	3,705	3,705	3,705	3,705
13. Bargaining Agreement with WFSE Mast	1,256	1,256	1,256	1,256	1,256	1,256
14. Bargaining Agreement: WFSE Skilled	831	831	831	831	831	831
15. Bargaining Agreement with UW POA	152	152	152	152	152	152
16. Bargaining Agreement: UW Police Mgt	50	50	50	50	50	50
17. UW-Tacoma Autism Center	700	700	700	700	0	0
18. BioEngineering/Genome Sci Bldg O&M	0	0	0	0	3,241	3,241
19. Forest Systems and Bioenergy	40	40	0	0	0	0
20. Pension Rate for Gain-Sharing	0	0	-1,100	-1,112	-1,100	-1,112
21. Suspend Plan 1 UAAL Contributions	0	0	-2,908	-13,959	-2,743	-13,168
22. Korean Studies Endowed Chair	500	500	500	500	0	0
23. Maintenance and Operations Shift	-5,717	-5,717	-5,717	-5,717	-5,717	-5,717
24. Pension Policy Adjustment	-1,426	-16,086	0	0	0	0
25. Labor Center Research	0	0	60	60	60	60
26. Non-Instruction Reduction	-2,559	-2,559	-2,559	-2,559	0	0
27. Promotion of University Research	0	0	250	250	250	250
28. Tuition Rate Increase	-29,301	29,301	-4,436	-4,436	0	0
Total Policy Changes	12,049	108,658	30,680	75,157	47,993	99,259

2005-07 Omnibus Operating Budget
University of Washington
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
Total 2005-07 Biennium	672,879	3,808,191	691,510	3,774,690	708,823	3,798,792
Difference from 2003-05	36,129	177,928	54,760	144,427	72,073	168,529
% Change from 2003-05	5.7%	4.9%	8.6%	4.0%	11.3%	4.6%

Comments:

1. Burke Museum Outreach - Funding is provided to expand the Museum's public outreach capabilities. Enhanced staffing will enable the Museum to more effectively connect the collections research and content with the people of the state.

2. General Enrollments - Funding is provided to expand state-supported general enrollment slots by 140 full-time equivalent (FTE) students at the Seattle campus in FY 2006 and by 140 full-time equivalent (FTE) students in FY 2007. New budgeted enrollment for resident undergraduate students is supported by the state at an average rate of \$6,303 per FTE in FY 2006 and FY 2007. Funding is provided to expand state-supported graduate enrollment by 40 full-time equivalent (FTE) students in FY 2006 and 40 FTE students in FY 2007. New budgeted enrollment for graduate students is supported by the state at an average rate of \$15,000 per FTE in FY 2006 and FY 2007.

Funding is provided to expand state-supported upper division enrollment slots by 100 full-time equivalent at the Tacoma campus, and 75 at the Bothell campus in FY 2006 and by 225 (of which 125 is lower division) full-time equivalent at the Tacoma campus, and 200 (of which 125 is lower division) at the Bothell campus in FY 2007. New budgeted enrollment for upper division resident undergraduate students is supported by the state at an average rate of \$10,000 per FTE in FY 2006 and FY 2007 and new enrollment for lower division resident undergraduate students is supported by the state at an average rate of \$6,303 per FTE in FY 2006 and FY 2007. (Education Legacy Trust Account, Institutions of Higher Education-Operating Fees Account-Nonappropriated)

3. Lower Division Planning Funds - The University of Washington-Tacoma and University of Washington-Bothell are provided \$100,000 each to assist the transition from a branch campus serving upper-division students to a four-year campus serving freshmen, sophomores, and upper division students. These funds may be used to develop curricula, recruit new faculty, and expand student services. University of Washington-Tacoma and University of Washington-Bothell may begin enrolling lower-division students in Fall 2006.

5. Super Coalition Health Benefits - Funding is provided for the current health benefit package and level of cost-sharing during the 2005-07 biennium for both represented and non-represented employees. The employer funding rates for represented employees were established through collective bargaining in September 2004 and will be \$663/month for FY 2006 and \$744/month for FY 2007. The employer funding rate for non-represented employees will be \$663/month in FY 2006. An updated financial forecast for the Insurance Account indicates additional resources will be available, allowing the funding rate for non-represented employees to be set at \$618 per month in FY 2007. The projected average employee contribution will be held at 12 percent of the total cost of the medical benefit based on an annual rate of inflation of 8.5 percent. If actual costs increase more than expected, a reserve of additional funds is available to fund health benefits in order to cover the additional cost of inflation up to a maximum of 11 percent.

6. Classification Revisions - Funding is provided to continue to phasing in the classification consolidation and revisions required by the Public Service Reform Act of 2002. Group Two and Group Three of the Department of Personnel's classification plan are to be consolidated during the 2005-07 biennium.

2005-07 Omnibus Operating Budget University of Washington

7. COLA-Nonrepresented - Funding is provided to give cost-of-living adjustments of 3.2 percent on September 1, 2005 and 1.6 percent on September 1, 2006 to non-represented employees.

8. Nonrepresented Health Benefit Chg - Funding is provided for the current health benefit package and level of cost-sharing during the 2005-07 biennium for both represented and non-represented employees. The employer funding rates for represented employees were established through collective bargaining in September 2004 and will be \$663/month for FY 2006 and \$744/month for FY 2007. The employer funding rate for non-represented employees will be \$663/month in FY 2006. An updated financial forecast for the Insurance Account indicates additional resources will be available, allowing the funding rate for non-represented employees to be set at \$618 per month in FY 2007. The projected average employee contribution will be held at 12 percent of the total cost of the medical benefit based on an annual rate of inflation of 8.5 percent. If actual costs increase more than expected, a reserve of additional funds is available to fund health benefits in order to cover the additional cost of inflation up to a maximum of 11 percent.

9. Salary Survey-Nonrep Staff - Funding is provided for salary increases for job classifications identified as being compensated more than 25 percent lower than the market rate in the Department of Personnel's 2002 Salary Survey.

10. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

11. Other Fund Adjustments - Funding is removed for the Forensic Pathology Fellowship Program. The program, previously sponsored by the University is no longer in existence.

12. Bargaining Agreement with SEIU 925 - Under the provisions of the Personnel System Reform Act of 2002, the University of Washington has negotiated a collective bargaining agreement with employees represented by SEIU 925.

13. Bargaining Agreement with WFSE Mast - Under the provisions of the Personnel System Reform Act of 2002, the University of Washington has negotiated a master collective bargaining agreement with employees represented by the Washington Federation of State Employees.

14. Bargaining Agreement: WFSE Skilled - Under the provisions of the Personnel System Reform Act of 2002, the University of Washington has negotiated a collective bargaining agreement with skilled trade employees represented by the Washington Federation of State Employees.

15. Bargaining Agreement with UW POA - Under the provisions of the Personnel System Reform Act of 2002, the University of Washington has negotiated a collective bargaining agreement with police officers represented by the University of Washington Police Officers Association (POA).

16. Bargaining Agreement: UW Police Mgt - Under the provisions of the Personnel System Reform Act of 2002, the University of Washington has negotiated a collective bargaining agreement with police lieutenants and sergeants represented by the Washington Federation of State Employees.

17. UW-Tacoma Autism Center - Funding is provided to maintain an Autism Center at the University of Washington (UW) Tacoma campus. The facility will continue to function as a satellite facility to the Autism Center at the UW Medical Center in Seattle and provide clinical service and professional training.

**2005-07 Omnibus Operating Budget
University of Washington**

18. BioEngineering/Genome Sci Bldg O&M - Funding is provided for the 2005-07 biennium to pay for operations and maintenance costs of the Bioengineering and Genome Sciences buildings that will come on line during the 2005-07 biennium. (Higher Education Legacy Trust Account)

20. Pension Rate for Gain-Sharing - Contributions towards the future costs of gain-sharing are suspended for the 2005-07 biennium, consistent with Substitute House Bill 1044 (pension funding methodology).

21. Suspend Plan 1 UAAL Contributions - Funding levels for employer contributions to the Public Employees' Retirement System (PERS), the Teachers' Retirement System (TRS), and the School Employees' Retirement System (SERS) are adjusted consistent with SHB 1044 (pension funding methodology). The following are suspended for the 2005-07 biennium: (1) contributions towards the cost of future gain-sharing benefits in plans 1 and 3 of PERS, TRS, and SERS; and (2) the cost of amortizing the Unfunded Accrued Actuarial Liabilities in PERS Plan 1 and TRS Plan 1. The Select Committee on Pension Policy will study gain sharing during FY 2005. A phased-in schedule of contribution rates is adopted for PERS, TRS, and SERS. The employee contribution rates in FY 2006 are 2.25 percent of pay for PERS Plan 2, 2.48 percent of pay for TRS Plan 2, and 2.75 percent of pay for SERS Plan 2. In FY 2007, the employee contribution rates are 3.50 percent of pay for PERS Plan 2, 3.00 percent of pay for TRS Plan 2, and 3.75 percent of pay for SERS Plan 2.

22. Korean Studies Endowed Chair - One-time funding is provided to establish an endowed chair in Korean Studies at the University of Washington-Seattle.

23. Maintenance and Operations Shift - In addition to the fund shift that occurred in the 2003-05 biennial budget, an additional amount of the maintenance and operations budget for the University of Washington is moved from the General Fund to the Education Construction Account.

25. Labor Center Research - Funding is provided for research on labor and economic issues in Washington through the Harry Bridges Center.

26. Non-Instruction Reduction - The Legislature makes a 1% general fund-state reduction to all non-instruction programs.

27. Promotion of University Research - Funding is provided to the Institute for Learning and Brain Sciences (ILABS) to develop a partnership, linking ILABS to policymakers, private sectors and user-groups.

28. Tuition Rate Increase - The Legislature assumes a tuition increase of 7% each year of the biennium. Of the new resident undergraduate tuition revenue, a 25% reduction in GF-S is made.

2005-07 Omnibus Operating Budget
Washington State University
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	375,588	864,949	375,588	864,949	375,588	864,949
2005-07 Maintenance Level	401,044	954,821	401,044	954,821	401,044	954,821
Policy Changes:						
1. General Enrollments	8,349	8,349	9,641	15,384	12,739	20,026
2. Lower Division Planning Funds	500	500	350	350	350	350
3. Super Coalition Health Benefits	6,488	8,527	6,488	8,527	6,488	8,527
4. Classification Revisions	208	266	208	266	350	408
5. COLA-Nonrepresented	14,894	19,459	13,796	17,912	15,140	19,705
6. Nonrepresented Health Benefit Chg	4,752	6,620	4,752	6,620	4,752	6,620
7. Salary Survey-Nonrep Staff	815	1,254	815	1,254	815	1,254
8. General Inflation	-682	-4,610	-682	-4,610	-682	-4,610
9. Collective Bargaining - WFSE	409	854	409	854	409	854
10. Collective Bargaining - Police	50	50	50	50	50	50
11. Ghost Shrimp Research	400	400	400	400	0	0
12. Pension Rate for Gain-Sharing	0	0	-638	-638	-638	-638
13. Suspend Plan 1 UAAL Contributions	0	0	-2,043	-2,839	-1,928	-2,679
14. Maintenance and Operations Shift	-2,239	-2,239	-2,239	-2,239	-2,239	-2,239
15. Operating Costs/Exist Capital Proj	0	0	0	0	93	93
16. Pension Policy Adjustment	-1,005	-2,061	0	0	0	0
17. Renewable Energy Expert	0	0	85	85	0	0
18. Non-Instruction Reduction	-2,099	-2,099	-2,099	-2,099	0	0
19. Tuition Rate Increase	-14,622	14,622	-2,701	-2,701	0	0
20. Veterinary Medicine	2,028	2,568	1,521	2,061	1,521	2,061
21. Lidded Grant Compensation Costs	319	0	319	0	319	0
22. Vehicle Licensing Study	0	0	50	50	0	0
Total Policy Changes	18,565	52,460	28,482	38,687	37,539	49,782
Total 2005-07 Biennium	419,609	1,007,281	429,526	993,508	438,583	1,004,603
Difference from 2003-05	44,021	142,332	53,938	128,559	62,995	139,654
% Change from 2003-05	11.7%	16.5%	14.4%	14.9%	16.8%	16.1%

2005-07 Omnibus Operating Budget Washington State University

Comments:

1. General Enrollments - Funding is provided to expand state-supported general enrollment slots by 185 full-time equivalent (FTE) students at the Pullman campus in FY 2006 and by 185 full-time equivalent (FTE) students in FY 2007. New budgeted enrollment for resident undergraduate students is supported by the state at an average rate of \$6,303 per FTE in FY 2006 and FY 2007. Funding is provided to expand state-supported graduate enrollment by 30 full-time equivalent (FTE) students in FY 2006 and 30 FTE students in FY 2007. New budgeted enrollment for graduate students is supported by the state at an average rate of \$15,000 per FTE in FY 2006 and FY 2007.

Funding is provided to expand state-supported upper division enrollment slots by 125 full-time equivalent at the Vancouver campus in FY 2006 and by 325 (of which 200 is lower division) full-time equivalent at the Vancouver campus, and 25 (all of which are lower division) at the Tri-Cities campus in FY 2007. New budgeted enrollment for upper division resident undergraduate students is supported by the state at an average rate of \$10,000 per FTE in FY 2006 and FY 2007 and new enrollment for lower division resident undergraduate students is supported by the state at an average rate of \$6,303 per FTE in FY 2006 and FY 2007. (Education Legacy Trust Account, Institutions of Higher Education-Operating Fees Account-Nonappropriated)

2. Lower Division Planning Funds - WSU-Vancouver is provided \$350,000 to assist the transition from a branch campus serving upper-division students, to a four-year campus serving freshmen, sophomores, and upper-division students. Funds may be used to develop curricula, recruit new faculty, and expand student services. WSU-Vancouver may begin enrolling lower-division students beginning in Fall 2006.

3. Super Coalition Health Benefits - Funding is provided for the current health benefit package and level of cost-sharing during the 2005-07 biennium for both represented and non-represented employees. The employer funding rates for represented employees were established through collective bargaining in September 2004 and will be \$663/month for FY 2006 and \$744/month for FY 2007. The employer funding rate for non-represented employees will be \$663/month in FY 2006. An updated financial forecast for the Insurance Account indicates additional resources will be available, allowing the funding rate for non-represented employees to be set at \$618 per month in FY 2007. The projected average employee contribution will be held at 12 percent of the total cost of the medical benefit based on an annual rate of inflation of 8.5 percent. If actual costs increase more than expected, a reserve of additional funds is available to fund health benefits in order to cover the additional cost of inflation up to a maximum of 11 percent.

4. Classification Revisions - Funding is provided to continue to phasing in the classification consolidation and revisions required by the Public Service Reform Act of 2002. Group Two and Group Three of the Department of Personnel's classification plan are to be consolidated during the 2005-07 biennium.

5. COLA-Nonrepresented - Funding is provided to give cost-of-living adjustments of 3.2 percent on September 1, 2005 and 1.6 percent on September 1, 2006 to non-represented employees.

6. Nonrepresented Health Benefit Chg - Funding is provided for the current health benefit package and level of cost-sharing during the 2005-07 biennium for both represented and non-represented employees. The employer funding rates for represented employees were established through collective bargaining in September 2004 and will be \$663/month for FY 2006 and \$744/month for FY 2007. The employer funding rate for non-represented employees will be \$663/month in FY 2006. An updated financial forecast for the Insurance Account indicates additional resources will be available, allowing the funding rate for non-represented employees to be set at \$618 per month in FY 2007. The projected average employee contribution will be held at 12 percent of the total cost of the medical benefit based on an annual rate of inflation of 8.5 percent. If actual costs increase more than expected, a reserve of additional funds is available to fund health benefits in order to cover the additional cost of inflation up to a maximum of 11 percent.

2005-07 Omnibus Operating Budget Washington State University

7. Salary Survey-Nonrep Staff - Funding is provided for salary increases for job classifications identified as being compensated more than 25 percent lower than the market rate in the Department of Personnel's 2002 Salary Survey.

8. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

9. Collective Bargaining - WFSE - Washington State University bargained with the Washington Federation of State Employees (WFSE) which represents the following bargaining units: Bargaining Unit 1 - Research and extension units west of the Cascades; Bargaining Unit 5 - Library ; Bargaining Unit 11 - the Intercollegiate College of Nursing. The primary economic items negotiated were first and second year wages. All employees covered by the contract will receive a 3.2 percent wage increase effective July 1, 2005. The increase will be added to the employee's base rate of pay. All employees will also receive a 2 percent lump sum payment effective July 1, 2006. The 2 percent lump sum payment will not be added to the employee's base rate of pay. (General Fund-State, Institutions of Higher Education Grants and Contracts Account-Nonappropriated, Institutions of Higher Education Dedicated Local Account-Nonappropriated)

10. Collective Bargaining - Police - Washington State bargained with Bargaining Unit #4, representing police positions. The bargaining teams' agreement was ratified by the Washington State University Police Guild on September 28, 2004 and has been approved by the Washington State University Board of Regents.

11. Ghost Shrimp Research - Funding is provided to research alternatives for controlling ghost shrimp in Willapa Bay.

12. Pension Rate for Gain-Sharing - Contributions towards the future costs of gain-sharing are suspended for the 2005-07 biennium, consistent with Substitute House Bill 1044 (pension funding methodology).

13. Suspend Plan 1 UAAL Contributions - Funding levels for employer contributions to the Public Employees' Retirement System (PERS), the Teachers' Retirement System (TRS), and the School Employees' Retirement System (SERS) are adjusted consistent with SHB 1044 (pension funding methodology). The following are suspended for the 2005-07 biennium: (1) contributions towards the cost of future gain-sharing benefits in plans 1 and 3 of PERS, TRS, and SERS; and (2) the cost of amortizing the Unfunded Accrued Actuarial Liabilities in PERS Plan 1 and TRS Plan 1. The Select Committee on Pension Policy will study gain sharing during FY 2005. A phased-in schedule of contribution rates is adopted for PERS, TRS, and SERS. The employee contribution rates in FY 2006 are 2.25 percent of pay for PERS Plan 2, 2.48 percent of pay for TRS Plan 2, and 2.75 percent of pay for SERS Plan 2. In FY 2007, the employee contribution rates are 3.50 percent of pay for PERS Plan 2, 3.00 percent of pay for TRS Plan 2, and 3.75 percent of pay for SERS Plan 2.

14. Maintenance and Operations Shift - In addition to the fund shift that occurred in the 2003-05 biennial budget, an additional amount of the maintenance and operations budget for Washington State University is moved from the General Fund to the Education Construction Account.

15. Operating Costs/Exist Capital Proj - Funding is provided to maintain existing buildings and preserve related infrastructure during the 2005-07 biennium. Additional funds are also provided for newly-authorized capital projects that expand facility maintenance and operation requirements by adding square footage that is expected to be occupied before June 30, 2007. (Higher Education Legacy Trust Account)

**2005-07 Omnibus Operating Budget
Washington State University**

- 17. Renewable Energy Expert** - Funding is provided for a renewable energy expert to implement provisions of SSB 5101, providing incentives to support renewable energy..
- 18. Non-Instruction Reduction** - The Legislature makes a 1% general fund-state reduction to all non-instruction programs.
- 19. Tuition Rate Increase** - The Legislature assumes a tuition increase of 7% each year of the biennium. Of the new resident undergraduate tuition revenue, a 25% reduction in GF-S is made.
- 20. Veterinary Medicine** - Due to declining participation by Oregon State University, funding is provided to Washington State University to expand the size of its entering professional veterinary medicine class by 16 resident students each academic year during the 2005-07 Biennium. Funding is sufficient to preserve high quality programs, to provide increased access to veterinary medical education for Washington residents, and to fully utilize the outstanding facilities and veterinary instructional resources in service to Washington stakeholders. (Higher Education Legacy Trust Account)
- 21. Lidded Grant Compensation Costs** - Fund 143, the Higher Education Federal Appropriations Account, is lidded. For this reason, compensation cost increases are shifted to the General Fund.
- 22. Vehicle Licensing Study** - Funding is provided to study the cost of complying with vehicle licensing and registration laws. Funding is subject to the passage of house bill 1241, modifying vehicle licensing and registration penalties.

2005-07 Omnibus Operating Budget
Eastern Washington University
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	83,277	160,432	83,277	160,432	83,277	160,432
2005-07 Maintenance Level	89,749	167,519	89,749	167,519	89,749	167,519
Policy Changes:						
1. General Enrollments	6,089	6,089	6,461	10,318	8,979	14,348
2. Super Coalition Health Benefits	887	974	887	974	887	974
3. Classification Revisions	15	24	15	24	15	24
4. COLA-Nonrepresented	2,773	3,436	2,496	3,092	2,773	3,436
5. Nonrepresented Health Benefit Chg	773	950	773	950	773	950
6. Salary Survey-Nonrep Staff	136	136	136	136	136	136
7. General Inflation	-17	-516	-17	-516	-17	-516
8. Northwest Autism Center	425	425	425	425	0	0
9. Collective Bargaining Unit #1	817	905	817	905	817	905
10. Collective Bargaining Unit #2	161	175	161	175	161	175
11. Pension Rate for Gain-Sharing	0	0	-160	-160	-160	-160
12. Suspend Plan 1 UAAL Contributions	0	0	-525	-591	-496	-558
13. Maintenance and Operations Shift	-491	-491	-491	-491	-491	-491
14. Operating Costs/Exist Capital Proj	0	0	0	0	222	222
15. Pension Policy Adjustment	-256	-343	0	0	0	0
16. Non-Instruction Reduction	-197	-197	-197	-197	0	0
17. Tuition Rate Increase	-5,109	5,109	-863	-863	0	0
Total Policy Changes	6,006	16,676	9,918	14,181	13,599	19,445
Total 2005-07 Biennium	95,755	184,195	99,667	181,700	103,348	186,964
Difference from 2003-05	12,478	23,763	16,390	21,268	20,071	26,532
% Change from 2003-05	15.0%	14.8%	19.7%	13.3%	24.1%	16.5%

Comments:

1. General Enrollments - Funding is provided to expand state-supported general enrollment slots by 312 full-time equivalent (FTE) students in FY 2006 and 313 FTE students in FY 2007. New budgeted enrollment for resident undergraduate students is supported by the state at an average rate of \$6,303 per FTE in FY 2006 and FY 2007. Funding is provided to expand state-supported graduate enrollment by 12 full-time equivalent FTE students in FY 2006 and 13 FTE students in FY 2007. New budgeted enrollment for graduate students is supported by the state at an average rate of \$15,000 per FTE in FY 2006 and FY 2007. (Education Legacy Trust Account, Institutions of Higher Education-Operating Fees Account-Nonappropriated)

2005-07 Omnibus Operating Budget Eastern Washington University

2. Super Coalition Health Benefits - Funding is provided for the current health benefit package and level of cost-sharing during the 2005-07 biennium for both represented and non-represented employees. The employer funding rates for represented employees were established through collective bargaining in September 2004 and will be \$663/month for FY 2006 and \$744/month for FY 2007. The employer funding rate for non-represented employees will be \$663/month in FY 2006. An updated financial forecast for the Insurance Account indicates additional resources will be available, allowing the funding rate for non-represented employees to be set at \$618 per month in FY 2007. The projected average employee contribution will be held at 12 percent of the total cost of the medical benefit based on an annual rate of inflation of 8.5 percent. If actual costs increase more than expected, a reserve of additional funds is available to fund health benefits in order to cover the additional cost of inflation up to a maximum of 11 percent.

3. Classification Revisions - Funding is provided to continue to phasing in the classification consolidation and revisions required by the Public Service Reform Act of 2002. Group Two and Group Three of the Department of Personnel's classification plan are to be consolidated during the 2005-07 biennium.

4. COLA-Nonrepresented - Funding is provided to give cost-of-living adjustments of 3.2 percent on September 1, 2005 and 1.6 percent on September 1, 2006 to non-represented employees.

5. Nonrepresented Health Benefit Chg - Funding is provided for the current health benefit package and level of cost-sharing during the 2005-07 biennium for both represented and non-represented employees. The employer funding rates for represented employees were established through collective bargaining in September 2004 and will be \$663/month for FY 2006 and \$744/month for FY 2007. The employer funding rate for non-represented employees will be \$663/month in FY 2006. An updated financial forecast for the Insurance Account indicates additional resources will be available, allowing the funding rate for non-represented employees to be set at \$618 per month in FY 2007. The projected average employee contribution will be held at 12 percent of the total cost of the medical benefit based on an annual rate of inflation of 8.5 percent. If actual costs increase more than expected, a reserve of additional funds is available to fund health benefits in order to cover the additional cost of inflation up to a maximum of 11 percent.

6. Salary Survey-Nonrep Staff - Funding is provided for salary increases for job classifications identified as being compensated more than 25 percent lower than the market rate in the Department of Personnel's 2002 Salary Survey.

7. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

8. Northwest Autism Center - Funding is provided for the Northwest Autism Center to provide community-based approaches to assisting children and adults with autism spectrum disorder. The funding is also for the establishment of a preschool at EWU to serve children identified with autism spectrum disorder.

9. Collective Bargaining Unit #1 - Funding is provided for the collective bargaining agreement with the Washington Federation of State Employees Bargaining Unit #1. The agreement covers all non-supervisory classified persons employed at Eastern Washington University.

10. Collective Bargaining Unit #2 - Funding is provided for the collective bargaining agreement with the Washington Federation of State Employees Bargaining Unit #2. The agreement covers all supervisory classified persons employed at Eastern Washington University.

**2005-07 Omnibus Operating Budget
Eastern Washington University**

11. Pension Rate for Gain-Sharing - Contributions towards the future costs of gain-sharing are suspended for the 2005-07 biennium, consistent with Substitute House Bill 1044 (pension funding methodology).

12. Suspend Plan 1 UAAL Contributions - Funding levels for employer contributions to the Public Employees' Retirement System (PERS), the Teachers' Retirement System (TRS), and the School Employees' Retirement System (SERS) are adjusted consistent with SHB 1044 (pension funding methodology). The following are suspended for the 2005-07 biennium: (1) contributions towards the cost of future gain-sharing benefits in plans 1 and 3 of PERS, TRS, and SERS; and (2) the cost of amortizing the Unfunded Accrued Actuarial Liabilities in PERS Plan 1 and TRS Plan 1. The Select Committee on Pension Policy will study gain sharing during FY 2005. A phased-in schedule of contribution rates is adopted for PERS, TRS, and SERS. The employee contribution rates in FY 2006 are 2.25 percent of pay for PERS Plan 2, 2.48 percent of pay for TRS Plan 2, and 2.75 percent of pay for SERS Plan 2. In FY 2007, the employee contribution rates are 3.50 percent of pay for PERS Plan 2, 3.00 percent of pay for TRS Plan 2, and 3.75 percent of pay for SERS Plan 2.

13. Maintenance and Operations Shift - In addition to the fund shift that occurred in the 2003-05 biennial budget, an additional amount of the maintenance and operations budget for Eastern Washington University is moved from the General Fund to the Education Construction Account.

14. Operating Costs/Exist Capital Proj - Funding is provided to maintain existing buildings and preserve related infrastructure during the 2005-07 biennium. (Higher Education Legacy Trust Account)

16. Non-Instruction Reduction - The Legislature makes a 1% general fund-state reduction to all non-instruction programs.

17. Tuition Rate Increase - The Legislature assumes a tuition increase of 6% each year of the biennium. Of the new resident undergraduate tuition revenue, a 25% reduction in GF-S is made.

2005-07 Omnibus Operating Budget
Central Washington University
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	81,861	181,742	81,861	181,742	81,861	181,742
2005-07 Maintenance Level	87,838	200,243	87,838	200,243	87,838	200,243
Policy Changes:						
1. General Enrollments	5,185	5,185	6,461	9,716	8,979	13,490
2. Super Coalition Health benefits	665	753	665	753	665	753
3. COLA-Nonrepresented	3,294	3,613	2,975	3,262	3,294	3,613
4. Nonrepresented Health Benefit Chg	1,260	1,421	1,260	1,421	1,260	1,421
5. General Inflation	-50	-451	-50	-451	-50	-451
6. Pension Rate for Gain-Sharing	0	0	-190	-190	-190	-190
7. Suspend Plan 1 UAAL Contributions	0	0	-636	-705	-602	-667
8. Maintenance and Operations Shift	-536	-536	-536	-536	-536	-536
9. Collective Bargaining Agreements	1,961	2,066	1,961	2,066	1,961	2,066
10. Pension Policy Adjustment	-306	-397	0	0	0	0
11. Non-Instruction Reduction	-214	-214	-214	-214	0	0
12. Tuition Rate Increase	-3,817	3,817	-955	-955	0	0
Total Policy Changes	7,442	15,257	10,741	14,167	14,781	19,499
Total 2005-07 Biennium	95,280	215,500	98,579	214,410	102,619	219,742
Difference from 2003-05	13,419	33,758	16,718	32,668	20,758	38,000
% Change from 2003-05	16.4%	18.6%	20.4%	18.0%	25.4%	20.9%

Comments:

1. General Enrollments - Funding is provided to expand state-supported general enrollment slots by 312 full-time equivalent (FTE) students in FY 2006 and 313 FTE students in FY 2007. New budgeted enrollment for resident undergraduate students is supported by the state at an average rate of \$6,303 per FTE in FY 2006 and FY 2007. Funding is provided to expand state-supported graduate enrollment by 12 full-time equivalent FTE students in FY 2006 and 13 FTE students in FY 2007. New budgeted enrollment for graduate students is supported by the state at an average rate of \$15,000 per FTE in FY 2006 and FY 2007. (Education Legacy Trust Account, Institutions of Higher Education-Operating Fees Account-Nonappropriated)

2005-07 Omnibus Operating Budget Central Washington University

2. Super Coalition Health benefits - Funding is provided for the current health benefit package and level of cost-sharing during the 2005-07 biennium for both represented and non-represented employees. The employer funding rates for represented employees were established through collective bargaining in September 2004 and will be \$663/month for FY 2006 and \$744/month for FY 2007. The employer funding rate for non-represented employees will be \$663/month in FY 2006. An updated financial forecast for the Insurance Account indicates additional resources will be available, allowing the funding rate for non-represented employees to be set at \$618 per month in FY 2007. The projected average employee contribution will be held at 12 percent of the total cost of the medical benefit based on an annual rate of inflation of 8.5 percent. If actual costs increase more than expected, a reserve of additional funds is available to fund health benefits in order to cover the additional cost of inflation up to a maximum of 11 percent.

3. COLA-Nonrepresented - Funding is provided to give cost-of-living adjustments of 3.2 percent on September 1, 2005 and 1.6 percent on September 1, 2006 to non-represented employees.

4. Nonrepresented Health Benefit Chg - Funding is provided for the current health benefit package and level of cost-sharing during the 2005-07 biennium for both represented and non-represented employees. The employer funding rates for represented employees were established through collective bargaining in September 2004 and will be \$663/month for FY 2006 and \$744/month for FY 2007. The employer funding rate for non-represented employees will be \$663/month in FY 2006. An updated financial forecast for the Insurance Account indicates additional resources will be available, allowing the funding rate for non-represented employees to be set at \$618 per month in FY 2007. The projected average employee contribution will be held at 12 percent of the total cost of the medical benefit based on an annual rate of inflation of 8.5 percent. If actual costs increase more than expected, a reserve of additional funds is available to fund health benefits in order to cover the additional cost of inflation up to a maximum of 11 percent.

5. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

6. Pension Rate for Gain-Sharing - Contributions towards the future costs of gain-sharing are suspended for the 2005-07 biennium, consistent with Substitute House Bill 1044 (pension funding methodology).

7. Suspend Plan 1 UAAL Contributions - Funding levels for employer contributions to the Public Employees' Retirement System (PERS), the Teachers' Retirement System (TRS), and the School Employees' Retirement System (SERS) are adjusted consistent with SHB 1044 (pension funding methodology). The following are suspended for the 2005-07 biennium: (1) contributions towards the cost of future gain-sharing benefits in plans 1 and 3 of PERS, TRS, and SERS; and (2) the cost of amortizing the Unfunded Accrued Actuarial Liabilities in PERS Plan 1 and TRS Plan 1. The Select Committee on Pension Policy will study gain sharing during FY 2005. A phased-in schedule of contribution rates is adopted for PERS, TRS, and SERS. The employee contribution rates in FY 2006 are 2.25 percent of pay for PERS Plan 2, 2.48 percent of pay for TRS Plan 2, and 2.75 percent of pay for SERS Plan 2. In FY 2007, the employee contribution rates are 3.50 percent of pay for PERS Plan 2, 3.00 percent of pay for TRS Plan 2, and 3.75 percent of pay for SERS Plan 2.

8. Maintenance and Operations Shift - Consistent with the 2003-05 Biennial Budget, a portion of Central Washington University's maintenance and operations budget is moved from the General Fund to the Education Construction Account.

**2005-07 Omnibus Operating Budget
Central Washington University**

9. Collective Bargaining Agreements - Central Washington University (CWU) is represented by the Washington Federation of State Employees union Local 330. As of August 5, 2004, CWU is employing slightly more than 600 classified staff, some of whom are members of one of the two separate bargaining units. Bargaining Unit I is a union shop and has 168 dues-paying members. The employees in this shop are from the trades, custodian, dining services, police, printing and duplicating, gardener, and athletic trainer classes. Bargaining Unit II is an open shop and has 193 members, of which only a few pay dues. The employees in this shop are from the clerical, secretarial, computer operator, conference coordinator, word processing, retail clerk, library technician, library specialist, health care specialist, and credentials evaluator classes. The remainder of the classified staff, 245 employees, are not represented. These classes include accountants, budget analysts, human resource representatives, and supervisors. (Institutions of Higher Education-Grants and Contracts Account-Nonappropriated, Institutions of Higher Education-Dedicated Local Account-Nonappropriated)

11. Non-Instruction Reduction - The Legislature makes a 1% general fund-state reduction to all non-instruction programs.

12. Tuition Rate Increase - The Legislature assumes a tuition increase of 6% each year of the biennium. Of the new resident undergraduate tuition revenue, a 25% reduction in GF-S is made.

2005-07 Omnibus Operating Budget
The Evergreen State College
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	46,801	90,972	46,801	90,972	46,801	90,972
2005-07 Maintenance Level	49,352	96,094	49,352	96,094	49,352	96,094
Policy Changes:						
1. General Enrollments	1,832	1,832	2,116	3,793	2,546	4,576
2. Super Coalition Health benefits	625	650	625	650	625	650
3. WFSE COLA/Salary Survey	724	746	724	746	724	746
4. COLA-Nonrepresented	1,646	1,699	1,481	1,529	1,646	1,699
5. Nonrepresented Health Benefit Chg	475	491	475	491	475	491
6. Salary Survey-Nonrep Staff	36	36	36	36	36	36
7. General Inflation	-10	-322	-10	-322	-10	-322
8. Evaluate Integrated Trtmnt Pilots	581	581	310	310	0	0
9. Minimum Wage Study	150	150	0	0	0	0
10. Pension Rate for Gain-Sharing	0	0	-120	-120	-120	-120
11. Suspend Plan 1 UAAL Contributions	0	0	-366	-377	-345	-355
12. Immigrant Student Study	50	50	50	50	50	50
13. Maintenance and Operations Shift	-168	-168	-168	-168	-168	-168
14. Pension Policy Adjustment	-486	-496	0	0	0	0
15. Non-Instruction Reduction	-236	-236	-236	-236	0	0
16. Tuition Rate Increase	-2,784	2,784	-393	-393	0	0
Total Policy Changes	2,435	7,797	4,524	5,989	5,459	7,283
Total 2005-07 Biennium	51,787	103,891	53,876	102,083	54,811	103,377
Difference from 2003-05	4,986	12,919	7,075	11,111	8,010	12,405
% Change from 2003-05	10.7%	14.2%	15.1%	12.2%	17.1%	13.6%

Comments:

1. General Enrollments - Funding is provided to expand state-supported general enrollment slots by 100 full-time equivalent (FTE) students in FY 2006 and 100 FTE students in FY 2007. New budgeted enrollment for resident undergraduate students is supported by the state at an average rate of \$6,303 per FTE in FY 2006 and FY 2007. Funding is provided to expand state-supported graduate enrollment by 5 full-time equivalent FTE students in FY 2006 and 5 FTE students in FY 2007. New budgeted enrollment for graduate students is supported by the state at an average rate of \$15,000 per FTE in FY 2006 and FY 2007. (Education Legacy Trust Account, Institutions of Higher Education-Operating Fees Account-Nonappropriated)

2005-07 Omnibus Operating Budget The Evergreen State College

2. Super Coalition Health benefits - Funding is provided for the current health benefit package and level of cost-sharing during the 2005-07 biennium for both represented and non-represented employees. The employer funding rates for represented employees were established through collective bargaining in September 2004 and will be \$663/month for FY 2006 and \$744/month for FY 2007. The employer funding rate for non-represented employees will be \$663/month in FY 2006. An updated financial forecast for the Insurance Account indicates additional resources will be available, allowing the funding rate for non-represented employees to be set at \$618 per month in FY 2007. The projected average employee contribution will be held at 12 percent of the total cost of the medical benefit based on an annual rate of inflation of 8.5 percent. If actual costs increase more than expected, a reserve of additional funds is available to fund health benefits in order to cover the additional cost of inflation up to a maximum of 11 percent.

3. WFSE COLA/Salary Survey - The Governor's Office of Labor Relations negotiated this contract with the Higher Education Washington Federation of State Employees. It provides a cost-of-living adjustment of 3.2 percent on July 1, 2005, and 1.6 percent on July 1, 2006. Also funded is the implementation of the Department of Personnel's 2002 Salary Survey for those classifications that are more than 25 percent behind market.

4. COLA-Nonrepresented - Funding is provided to give cost-of-living adjustments of 3.2 percent on September 1, 2005 and 1.6 percent on September 1, 2006 to non-represented employees.

5. Nonrepresented Health Benefit Chg - Funding is provided for the current health benefit package and level of cost-sharing during the 2005-07 biennium for both represented and non-represented employees. The employer funding rates for represented employees were established through collective bargaining in September 2004 and will be \$663/month for FY 2006 and \$744/month for FY 2007. The employer funding rate for non-represented employees will be \$663/month in FY 2006. An updated financial forecast for the Insurance Account indicates additional resources will be available, allowing the funding rate for non-represented employees to be set at \$618 per month in FY 2007. The projected average employee contribution will be held at 12 percent of the total cost of the medical benefit based on an annual rate of inflation of 8.5 percent. If actual costs increase more than expected, a reserve of additional funds is available to fund health benefits in order to cover the additional cost of inflation up to a maximum of 11 percent.

6. Salary Survey-Nonrep Staff - Funding is provided for salary increases for job classifications identified as being compensated more than 25 percent lower than the market rate in the Department of Personnel's 2002 Salary Survey.

7. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

8. Evaluate Integrated Trtmnt Pilots - Funding is provided for the Washington State Institute for Public Policy to conduct four evaluations required by Senate Bill 5763 (mental disorders treatment); (1) an evaluation of integrated cross-systems crisis response pilots in two counties; (2) an evaluation of intensive chemical dependency case management pilots in two counties; (3) an evaluation of existing mental health clubhouse programs; and (3) an evaluation of the cost-effectiveness of treatment vs. non-treatment for mental health and substance abuse disorders, including prevention and intervention programs. The final evaluations are due to the Legislature in 2007 and 2008, to assist in making policy and funding decisions related to integrated treatment and the potential enactment of the unified Involuntary Treatment Act in fiscal year 2010.

10. Pension Rate for Gain-Sharing - Contributions towards the future costs of gain-sharing are suspended for the 2005-07 biennium, consistent with Substitute House Bill 1044 (pension funding methodology).

**2005-07 Omnibus Operating Budget
The Evergreen State College**

11. Suspend Plan 1 UAAL Contributions - Funding levels for employer contributions to the Public Employees' Retirement System (PERS), the Teachers' Retirement System (TRS), and the School Employees' Retirement System (SERS) are adjusted consistent with SHB 1044 (pension funding methodology). The following are suspended for the 2005-07 biennium: (1) contributions towards the cost of future gain-sharing benefits in plans 1 and 3 of PERS, TRS, and SERS; and (2) the cost of amortizing the Unfunded Accrued Actuarial Liabilities in PERS Plan 1 and TRS Plan 1. The Select Committee on Pension Policy will study gain sharing during FY 2005. A phased-in schedule of contribution rates is adopted for PERS, TRS, and SERS. The employee contribution rates in FY 2006 are 2.25 percent of pay for PERS Plan 2, 2.48 percent of pay for TRS Plan 2, and 2.75 percent of pay for SERS Plan 2. In FY 2007, the employee contribution rates are 3.50 percent of pay for PERS Plan 2, 3.00 percent of pay for TRS Plan 2, and 3.75 percent of pay for SERS Plan 2.

12. Immigrant Student Study - Funding is provided for the Institute of Public Policy to conduct an analysis of the availability, services, and effectiveness of programs in community and technical colleges that serve the educational needs of recent immigrant students who are not proficient in English and who are or have been enrolled in high school but have not met graduation requirements.

13. Maintenance and Operations Shift - Consistent with the 2003-05 Biennial Budget, a portion of the The Evergreen State College's maintenance and operations budget is moved from the General Fund to the Education Construction Account.

15. Non-Instruction Reduction - The Legislature makes a 1% general fund-state reduction to all non-instruction programs.

16. Tuition Rate Increase - The Legislature assumes a tuition increase of 6% each year of the biennium. Of the new resident undergraduate tuition revenue, a 25% reduction in GF-S is made.

2005-07 Omnibus Operating Budget
Spokane Intercollegiate Research & Technology Inst
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	2,819	3,950	2,819	3,950	2,819	3,950
2005-07 Maintenance Level	2,885	3,338	2,885	3,338	2,885	3,338
Policy Changes:						
1. COLA-Nonrepresented	95	95	0	0	95	95
2. General Inflation	-8	-16	-8	-16	-8	-16
3. Equipment Replacement Costs	150	150	0	0	0	0
4. SIRTl Technology Center	0	950	0	950	0	950
Total Policy Changes	237	1,179	-8	934	87	1,029
Total 2005-07 Biennium	3,122	4,517	2,877	4,272	2,972	4,367
Difference from 2003-05	303	567	58	322	153	417
% Change from 2003-05	10.7%	14.4%	2.1%	8.2%	5.4%	10.6%

Comments:

1. COLA-Nonrepresented - Funding is provided to give cost-of-living adjustments of 3.2 percent on September 1, 2005 and 1.6 percent on September 1, 2006 to non-represented employees.

2. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (General Fund-State, Institutions of Higher Education - Dedicated Local Account-Nonappropriated)

4. SIRTl Technology Center - Funding from the Spokane Intercollegiate Research and Technology Institute's (SIRTl) private foundation will be used to operate the new technology center, which is scheduled to open in the spring of 2005. (Institutions of Higher Education - Dedicated Local Account-Nonappropriated)

2005-07 Omnibus Operating Budget
Western Washington University
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	109,597	254,574	109,597	254,574	109,597	254,574
2005-07 Maintenance Level	115,926	282,816	115,926	282,816	115,926	282,816
Policy Changes:						
1. General Enrollments	1,981	1,981	3,475	5,362	4,043	6,249
2. Super Coalition Health Benefits	1,209	1,467	1,209	1,467	1,209	1,467
3. Classification Revisions	75	75	75	75	75	75
4. COLA-Nonrepresented	4,720	5,314	4,249	4,784	4,720	5,314
5. Nonrepresented Health Benefit Chg	1,716	2,029	1,716	2,029	1,716	2,029
6. Salary Survey-Nonrep Staff	210	236	210	236	210	236
7. General Inflation	-26	-686	-26	-686	-26	-686
8. Pension Rate for Gain-Sharing	0	0	-250	-250	-250	-250
9. Suspend Plan 1 UAAL Contributions	0	0	-762	-905	-720	-855
10. Maintenance and Operations Shift	-800	-800	-800	-800	-800	-800
11. Operating Costs/Exist Capital Proj	0	0	0	0	191	191
12. Bargaining Unit A - WFSE/Clerical	347	511	347	511	347	511
13. Bargaining Unit B - WFSE/Trades	358	358	358	358	358	358
14. Bargaining Unit D - PSE/Supervisory	0	0	478	524	0	0
15. Bargaining Unit C-WPEA/Professional	430	607	430	607	430	607
16. Bargaining Unit E - WFSE/Sup Unit B	38	38	38	38	38	38
17. Pension Policy Adjustment	-368	-557	0	0	0	0
18. Non-Instruction Reduction	-419	-419	-419	-419	0	0
19. Transfer NSIS to SBCTC	0	0	-1,960	-1,960	-1,960	-1,960
20. Tuition Rate Increase	-4,198	4,199	-1,409	-1,409	0	0
Total Policy Changes	5,273	14,353	6,959	9,562	9,581	12,524
Total 2005-07 Biennium	121,199	297,169	122,885	292,378	125,507	295,340
Difference from 2003-05	11,602	42,595	13,288	37,804	15,910	40,766
% Change from 2003-05	10.6%	16.7%	12.1%	14.8%	14.5%	16.0%

Comments:

2005-07 Omnibus Operating Budget Western Washington University

April 23, 2005
12:57 pm

1. General Enrollments - Funding is provided to expand state-supported general enrollment slots by 160 full-time equivalent (FTE) students in FY 2006 and 160 FTE students in FY 2007. New budgeted enrollment for resident undergraduate students is supported by the state at an average rate of \$6,303 per FTE in FY 2006 and FY 2007. Funding is provided to expand state-supported graduate enrollment by 10 full-time equivalent FTE students in FY 2006 and 10 FTE students in FY 2007. New budgeted enrollment for graduate students is supported by the state at an average rate of \$15,000 per FTE in FY 2006 and FY 2007. (Education Legacy Trust Account, Institutions of Higher Education-Operating Fees Account-Nonappropriated)

2. Super Coalition Health Benefits - Funding is provided for the current health benefit package and level of cost-sharing during the 2005-07 biennium for both represented and non-represented employees. The employer funding rates for represented employees were established through collective bargaining in September 2004 and will be \$663/month for FY 2006 and \$744/month for FY 2007. The employer funding rate for non-represented employees will be \$663/month in FY 2006. An updated financial forecast for the Insurance Account indicates additional resources will be available, allowing the funding rate for non-represented employees to be set at \$618 per month in FY 2007. The projected average employee contribution will be held at 12 percent of the total cost of the medical benefit based on an annual rate of inflation of 8.5 percent. If actual costs increase more than expected, a reserve of additional funds is available to fund health benefits in order to cover the additional cost of inflation up to a maximum of 11 percent.

3. Classification Revisions - Funding is provided to continue to phasing in the classification consolidation and revisions required by the Public Service Reform Act of 2002. Group Two and Group Three of the Department of Personnel's classification plan are to be consolidated during the 2005-07 biennium.

4. COLA-Nonrepresented - Funding is provided to give cost-of-living adjustments of 3.2 percent on September 1, 2005 and 1.6 percent on September 1, 2006 to non-represented employees.

5. Nonrepresented Health Benefit Chg - Funding is provided for the current health benefit package and level of cost-sharing during the 2005-07 biennium for both represented and non-represented employees. The employer funding rates for represented employees were established through collective bargaining in September 2004 and will be \$663/month for FY 2006 and \$744/month for FY 2007. The employer funding rate for non-represented employees will be \$663/month in FY 2006. An updated financial forecast for the Insurance Account indicates additional resources will be available, allowing the funding rate for non-represented employees to be set at \$618 per month in FY 2007. The projected average employee contribution will be held at 12 percent of the total cost of the medical benefit based on an annual rate of inflation of 8.5 percent. If actual costs increase more than expected, a reserve of additional funds is available to fund health benefits in order to cover the additional cost of inflation up to a maximum of 11 percent.

6. Salary Survey-Nonrep Staff - Funding is provided for salary increases for job classifications identified as being compensated more than 25 percent lower than the market rate in the Department of Personnel's 2002 Salary Survey.

7. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

8. Pension Rate for Gain-Sharing - Contributions towards the future costs of gain-sharing are suspended for the 2005-07 biennium, consistent with Substitute House Bill 1044 (pension funding methodology).

2005-07 Omnibus Operating Budget Western Washington University

9. Suspend Plan 1 UAAL Contributions - Funding levels for employer contributions to the Public Employees' Retirement System (PERS), the Teachers' Retirement System (TRS), and the School Employees' Retirement System (SERS) are adjusted consistent with SHB 1044 (pension funding methodology). The following are suspended for the 2005-07 biennium: (1) contributions towards the cost of future gain-sharing benefits in plans 1 and 3 of PERS, TRS, and SERS; and (2) the cost of amortizing the Unfunded Accrued Actuarial Liabilities in PERS Plan 1 and TRS Plan 1. The Select Committee on Pension Policy will study gain sharing during FY 2005. A phased-in schedule of contribution rates is adopted for PERS, TRS, and SERS. The employee contribution rates in FY 2006 are 2.25 percent of pay for PERS Plan 2, 2.48 percent of pay for TRS Plan 2, and 2.75 percent of pay for SERS Plan 2. In FY 2007, the employee contribution rates are 3.50 percent of pay for PERS Plan 2, 3.00 percent of pay for TRS Plan 2, and 3.75 percent of pay for SERS Plan 2.

10. Maintenance and Operations Shift - Consistent with the 2003-05 Biennial Budget, a portion of Western Washington University's maintenance and operations budget is moved from the General Fund to the Education Construction Account.

11. Operating Costs/Exist Capital Proj - Funding is provided to maintain existing buildings and preserve related infrastructure during the 2005-07 biennium. (Higher Education Legacy Trust Account)

12. Bargaining Unit A - WFSE/Clerical - Under the provisions of the Personnel System Reform Act of 2002, Western Washington University has negotiated a collective bargaining agreement with employees represented by WFSE/Clerical.

13. Bargaining Unit B - WFSE/Trades - Under the provisions of the Personnel System Reform Act of 2002, Western Washington University has negotiated a collective bargaining agreement with employees represented by WFSE/Trades.

14. Bargaining Unit D - PSE/Supervisory - Under the provisions of the Personnel System Reform Act of 2002, Western Washington University has negotiated a collective bargaining agreement with employees represented by PSE/Supervisory.

15. Bargaining Unit C-WPEA/Professional - Under the provisions of the Personnel System Reform Act of 2002, Western Washington University has negotiated a collective bargaining agreement with employees represented by WPEA/Professional.

16. Bargaining Unit E - WFSE/Sup Unit B - Under the provisions of the Personnel System Reform Act of 2002, Western Washington University has negotiated a collective bargaining agreement with employees represented by WFSE/Sup Unit B.

18. Non-Instruction Reduction - The Legislature makes a 1% general fund-state reduction to all non-instruction programs.

19. Transfer NSIS to SBCTC - Management and leadership responsibility for consortium operations are transferred from Western Washington University and assigned to Everett Community College.

20. Tuition Rate Increase - The Legislature assumes a tuition increase of 6% each year of the biennium. Of the new resident undergraduate tuition revenue, a 25% reduction in GF-S is made.

2005-07 Omnibus Operating Budget
Community & Technical College System
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	1,033,854	1,904,155	1,033,854	1,904,155	1,033,854	1,904,155
2005-07 Maintenance Level	1,095,032	2,040,854	1,095,032	2,040,854	1,095,032	2,040,854
Policy Changes:						
1. Enrollment Increase	21,515	21,515	33,669	43,252	40,840	52,465
2. Adult Basic Education	4,000	4,000	4,000	4,000	5,000	5,000
3. WPEA COLA/Salary Survey	4,568	6,470	4,568	6,470	4,568	6,470
4. Super Coalition Health benefits	8,822	11,039	8,822	11,039	8,822	11,039
5. WFSE COLA/Salary Survey	5,251	7,213	5,251	7,145	5,251	7,145
6. Classification Revisions	119	125	119	125	119	125
7. COLA-Nonrepresented	18,226	21,577	16,413	19,423	18,226	21,577
8. Nonrepresented Health Benefit Chg	13,716	15,547	13,716	15,547	13,716	15,547
9. Salary Survey-Nonrep Staff	635	839	635	839	635	839
10. General Inflation	-1,284	-5,593	-1,284	-5,593	-1,284	-5,593
11. SW WA Allied Health Consortium	100	100	0	0	0	0
12. Job Skills Program	0	6,000	0	0	0	0
13. Faculty Increments	4,500	4,500	4,500	4,500	4,500	4,500
14. Part-Time Faculty Equity	4,500	4,500	4,500	4,500	4,500	4,500
15. High-Demand Enrollments	8,720	11,720	0	0	0	0
16. Pension Rate for Gain-Sharing	0	0	-2,322	-2,322	-2,322	-2,322
17. Suspend Plan 1 UAAL Contributions	0	0	-6,117	-7,601	-5,794	-7,195
18. Maintenance and Operations Shift	-5,048	-5,048	-5,048	-5,048	-5,048	-5,048
19. Operating Costs/Exist Capital Proj	1,117	1,117	1,117	1,117	3,847	3,847
20. Pension Policy Adjustment	-2,656	-4,617	0	0	0	0
21. Non-Instruction Reduction	-4,612	-4,612	-4,612	-4,612	0	0
22. State Board HQ Lease	0	0	354	354	354	354
23. Transfer NSIS to SBCTC	0	0	1,960	1,960	1,960	1,960
24. Tuition Rate Increase	-18,297	17,214	-5,885	-5,885	0	0
Total Policy Changes	63,892	113,606	74,356	89,210	97,890	115,210
Total 2005-07 Biennium	1,158,924	2,154,460	1,169,388	2,130,064	1,192,922	2,156,064
Difference from 2003-05	125,070	250,305	135,534	225,909	159,068	251,909

2005-07 Omnibus Operating Budget
Community & Technical College System
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
% Change from 2003-05	12.1%	13.1%	13.1%	11.9%	15.4%	13.2%

Comments:

1. Enrollment Increase - Funding is provided to expand state-supported general enrollment slots by 2050 full-time equivalent (FTE) students in FY 2006 and 2135 FTE students in FY 2007. New budgeted enrollment for resident undergraduate students is supported by the state at an average rate of \$5,400 per FTE in FY 2006 and FY 2007. (Education Legacy Trust Account, Institutions of Higher Education-Operating Fees Account-Nonappropriated)

2. Adult Basic Education - The appropriation of \$4 million will add approximately \$100 per FTE student to sustain the more than 19,000 adult basic education FTE students currently being served by the system. (Education Legacy Trust Account)

3. WPEA COLA/Salary Survey - The Governor's Office of Labor Relations negotiated this contract with the Higher Education Washington Public Employee Association. It provides a cost-of-living adjustment of 3.2 percent on July 1, 2005, and 1.6 percent on July 1, 2006. Also funded is the implementation of the Department of Personnel's 2002 Salary Survey for those classifications that are more than 25 percent behind market.

4. Super Coalition Health benefits - Funding is provided for the current health benefit package and level of cost-sharing during the 2005-07 biennium for both represented and non-represented employees. The employer funding rates for represented employees were established through collective bargaining in September 2004 and will be \$663/month for FY 2006 and \$744/month for FY 2007. The employer funding rate for non-represented employees will be \$663/month in FY 2006. An updated financial forecast for the Insurance Account indicates additional resources will be available, allowing the funding rate for non-represented employees to be set at \$618 per month in FY 2007. The projected average employee contribution will be held at 12 percent of the total cost of the medical benefit based on an annual rate of inflation of 8.5 percent. If actual costs increase more than expected, a reserve of additional funds is available to fund health benefits in order to cover the additional cost of inflation up to a maximum of 11 percent.

5. WFSE COLA/Salary Survey - The Governor's Office of Labor Relations negotiated this contract with the Higher Education Washington Federation of State Employees. It provides a cost-of-living adjustment of 3.2 percent on July 1, 2005, and 1.6 percent on July 1, 2006. Also funded is the implementation of the Department of Personnel's 2002 Salary Survey for those classifications that are more than 25 percent behind market.

6. Classification Revisions - Funding is provided to continue to phasing in the classification consolidation and revisions required by the Public Service Reform Act of 2002. Group Two and Group Three of the Department of Personnel's classification plan are to be consolidated during the 2005-07 biennium.

7. COLA-Nonrepresented - Funding is provided to give cost-of-living adjustments of 3.2 percent on September 1, 2005 and 1.6 percent on September 1, 2006 to non-represented employees.

2005-07 Omnibus Operating Budget Community & Technical College System

8. Nonrepresented Health Benefit Chg - Funding is provided for the current health benefit package and level of cost-sharing during the 2005-07 biennium for both represented and non-represented employees. The employer funding rates for represented employees were established through collective bargaining in September 2004 and will be \$663/month for FY 2006 and \$744/month for FY 2007. The employer funding rate for non-represented employees will be \$663/month in FY 2006. An updated financial forecast for the Insurance Account indicates additional resources will be available, allowing the funding rate for non-represented employees to be set at \$618 per month in FY 2007. The projected average employee contribution will be held at 12 percent of the total cost of the medical benefit based on an annual rate of inflation of 8.5 percent. If actual costs increase more than expected, a reserve of additional funds is available to fund health benefits in order to cover the additional cost of inflation up to a maximum of 11 percent.

9. Salary Survey-Nonrep Staff - Funding is provided for salary increases for job classifications identified as being compensated more than 25 percent lower than the market rate in the Department of Personnel's 2002 Salary Survey.

10. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

13. Faculty Increments - State funding and salary turnover savings authority are combined to help community and technical colleges fund increments to full-time faculty. (Education Legacy Trust Account)

14. Part-Time Faculty Equity - Funding is provided to help provide salary equity for part-time instructors at the community and technical colleges. A college district may match state funds with local revenue. (Education Legacy Trust Account)

16. Pension Rate for Gain-Sharing - Contributions towards the future costs of gain-sharing are suspended for the 2005-07 biennium, consistent with Substitute House Bill 1044 (pension funding methodology).

17. Suspend Plan 1 UAAL Contributions - Funding levels for employer contributions to the Public Employees' Retirement System (PERS), the Teachers' Retirement System (TRS), and the School Employees' Retirement System (SERS) are adjusted consistent with SHB 1044 (pension funding methodology). The following are suspended for the 2005-07 biennium: (1) contributions towards the cost of future gain-sharing benefits in plans 1 and 3 of PERS, TRS, and SERS; and (2) the cost of amortizing the Unfunded Accrued Actuarial Liabilities in PERS Plan 1 and TRS Plan 1. The Select Committee on Pension Policy will study gain sharing during FY 2005. A phased-in schedule of contribution rates is adopted for PERS, TRS, and SERS. The employee contribution rates in FY 2006 are 2.25 percent of pay for PERS Plan 2, 2.48 percent of pay for TRS Plan 2, and 2.75 percent of pay for SERS Plan 2. In FY 2007, the employee contribution rates are 3.50 percent of pay for PERS Plan 2, 3.00 percent of pay for TRS Plan 2, and 3.75 percent of pay for SERS Plan 2.

18. Maintenance and Operations Shift - Consistent with the 2003-05 Biennial Budget, a portion of the State Board's maintenance and operations budget is moved from the General Fund to the Education Construction Account.

19. Operating Costs/Exist Capital Proj - Funding is provided to maintain existing buildings and preserve related infrastructure during the 2005-07 biennium. Additional funds are also provided for newly-authorized capital projects that expand facility maintenance and operation requirements by adding square footage that is expected to be occupied before June 30, 2007. (Education Legacy Trust Account)

2005-07 Omnibus Operating Budget Community & Technical College System

21. Non-Instruction Reduction - The Legislature makes a 1% general fund-state reduction to all non-instruction programs.

22. State Board HQ Lease - A lease rate adjustment is provided to the State Board for Community and Technical Colleges. Additionally, \$35,000 in one-time funds are provided to assist the Board with any move related expenses.

23. Transfer NSIS to SBCTC - Management and leadership responsibility for consortium operations are transferred from Western Washington University and assigned to Everett Community College.

24. Tuition Rate Increase - The Legislature assumes a tuition increase of 5% each year of the biennium. Of the new resident undergraduate tuition revenue, a 25% reduction in GF-S is made.

2005-07 Omnibus Operating Budget
State School for the Blind
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	9,377	10,712	9,377	10,712	9,377	10,712
2005-07 Maintenance Level	9,933	11,269	9,933	11,269	9,933	11,269
Policy Changes:						
1. Middle Management Reduction	-55	-55	-55	-55	-55	-55
2. General Inflation	-34	-35	-34	-35	-34	-35
3. Distance Learning	210	210	210	210	210	210
Total Policy Changes	121	120	121	120	121	120
Total 2005-07 Biennium	10,054	11,389	10,054	11,389	10,054	11,389
Difference from 2003-05	677	677	677	677	677	677
% Change from 2003-05	7.2%	6.3%	7.2%	6.3%	7.2%	6.3%

Comments:

1. Middle Management Reduction - Statewide, the number of middle management positions will be reduced by 1,000 positions by the end of the biennium. The reductions are phased in over the entire two year period. Funds are reduced to reflect the portion of the reduction attributable to this agency.

2. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

3. Distance Learning - Funding is provided for digital classroom access to specialized training through the use of current and future technology.

2005-07 Omnibus Operating Budget
State School for the Deaf
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	15,299	15,531	15,299	15,531	15,299	15,531
2005-07 Maintenance Level	16,654	16,886	16,654	16,886	16,654	16,886
Policy Changes:						
1. Middle Management Reduction	-55	-55	-55	-55	-55	-55
2. General Inflation	-64	-64	-64	-64	-64	-64
Total Policy Changes	-119	-119	-119	-119	-119	-119
Total 2005-07 Biennium	16,535	16,767	16,535	16,767	16,535	16,767
Difference from 2003-05	1,236	1,236	1,236	1,236	1,236	1,236
% Change from 2003-05	8.1%	8.0%	8.1%	8.0%	8.1%	8.0%

Comments:

1. Middle Management Reduction - Statewide, the number of middle management positions will be reduced by 1,000 positions by the end of the biennium. The reductions are phased in over the entire two year period. Funds are reduced to reflect the portion of the reduction attributable to this agency.

2. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

2005-07 Omnibus Operating Budget
Work Force Training & Education Coordinating Board
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	3,303	57,605	3,303	57,605	3,303	57,605
2005-07 Maintenance Level	3,385	57,737	3,385	57,737	3,385	57,737
Policy Changes:						
1. WFSE COLA/Salary Survey	25	43	0	0	0	0
2. COLA-Nonrepresented	46	80	0	0	0	0
3. Nonrepresented Health Benefit Chg	11	20	0	0	0	0
4. General Inflation	-19	-26	-19	-26	-19	-26
5. Eliminate INTEC	-968	-968	-968	-968	-968	-968
6. Pension Policy Adjustment	-46	-80	0	0	0	0
Total Policy Changes	-951	-931	-987	-994	-987	-994
Total 2005-07 Biennium	2,434	56,806	2,398	56,743	2,398	56,743
Difference from 2003-05	-869	-799	-905	-862	-905	-862
% Change from 2003-05	-26.3%	-1.4%	-27.4%	-1.5%	-27.4%	-1.5%

Comments:

1. WFSE COLA/Salary Survey - Funding is provided to cover the cost of the contract negotiated between the Governor's Office of Labor Relations and the Washington Federation of State Employees. It provides a cost-of-living adjustment of 3.2 percent on July 1, 2005, and 1.6 percent on July 1, 2006. Also funded is the implementation of the Department of Personnel's 2002 Salary Survey for those classifications that are more than 25 percent behind the market rate of compensation.

2. COLA-Nonrepresented - Funding is provided to give cost-of-living adjustments of 3.2 percent on September 1, 2005 and 1.6 percent on September 1, 2006 to non-represented employees.

3. Nonrepresented Health Benefit Chg - Funding is provided for the current health benefit package and level of cost-sharing during the 2005-07 biennium for both represented and non-represented employees. The employer funding rates for represented employees were established through collective bargaining in September 2004 and will be \$663/month for FY 2006 and \$744/month for FY 2007. The employer funding rate for non-represented employees will be \$663/month in FY 2006. An updated financial forecast for the Insurance Account indicates additional resources will be available, allowing the funding rate for non-represented employees to be set at \$618 per month in FY 2007. The projected average employee contribution will be held at 12 percent of the total cost of the medical benefit based on an annual rate of inflation of 8.5 percent. If actual costs increase more than expected, a reserve of additional funds is available to fund health benefits in order to cover the additional cost of inflation up to a maximum of 11 percent.

2005-07 Omnibus Operating Budget
Work Force Training & Education Coordinating Board

April 23, 2005
12:57 pm

4. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission. (General Fund-State, General Fund-Federal)

5. Eliminate INTEC - The Inland Northwest Technology Center (INTEC) program is eliminated. INTEC provides state funds for economic development through public-private partnerships for business generation and development through the Inland Northwest Technology Education Center.

2005-07 Omnibus Operating Budget
Washington State Arts Commission
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	4,527	5,553	4,527	5,553	4,527	5,553
2005-07 Maintenance Level	4,625	5,926	4,625	5,926	4,625	5,926
Policy Changes:						
1. General Inflation	-10	-11	-10	-11	-10	-11
2. Art Programs	0	200	0	0	0	0
Total Policy Changes	-10	189	-10	-11	-10	-11
Total 2005-07 Biennium	4,615	6,115	4,615	5,915	4,615	5,915
Difference from 2003-05	88	562	88	362	88	362
% Change from 2003-05	1.9%	10.1%	1.9%	6.5%	1.9%	6.5%

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

2005-07 Omnibus Operating Budget
Washington State Historical Society
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	4,918	7,698	4,918	7,698	4,918	7,698
2005-07 Maintenance Level	5,297	7,186	5,297	7,186	5,297	7,186
Policy Changes:						
1. General Inflation	-26	-72	-26	-72	-26	-72
2. Lewis and Clark Bicentennial	517	517	517	517	33	33
3. Women's History Consortium	197	197	197	197	0	0
Total Policy Changes	688	642	688	642	7	-39
Total 2005-07 Biennium	5,985	7,828	5,985	7,828	5,304	7,147
Difference from 2003-05	1,067	130	1,067	130	386	-551
% Change from 2003-05	21.7%	1.7%	21.7%	1.7%	7.8%	-7.2%

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

2. Lewis and Clark Bicentennial - One-time funding is appropriated to fund programs and an FTE to coordinate programs related to the Lewis and Clark bicentennial commemoration. Corps of Discovery II, a national travelling exhibit, will travel through Clarkston, Dayton, Kennewick, Stevenson, Toppenish, Vancouver, and Pacific County. One-time funding is also appropriated for reimbursement of costs incurred by county law enforcement agencies from providing additional security for events.

3. Women's History Consortium - Senate Bill No. 5707 establishes a Women's History Consortium, to be housed at the Washington State Historical Society. Funding is appropriated for staff, travel, supplies, and equipment necessary to implement the legislation.

2005-07 Omnibus Operating Budget
Eastern Washington State Historical Society
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	2,926	2,926	2,926	2,926	2,926	2,926
2005-07 Maintenance Level	3,112	5,887	3,112	5,887	3,112	5,887
Policy Changes:						
1. General Inflation	-11	-32	-11	-32	-11	-32
2. Japanese American Legacy Project	0	0	50	50	0	0
Total Policy Changes	-11	-32	39	18	-11	-32
Total 2005-07 Biennium	3,101	5,855	3,151	5,905	3,101	5,855
Difference from 2003-05	175	2,929	225	2,979	175	2,929
% Change from 2003-05	6.0%	100.1%	7.7%	101.8%	6.0%	100.1%

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

2. Japanese American Legacy Project - Funding is provided for the Densho Japanese American Legacy Project, and is to be disbursed through the Cheney Cowles Museum in Spokane. The project will develop an oral history of the early immigration of the Japanese to the Spokane area and subsequent history.

2005-07 Omnibus Operating Budget
Bond Retirement and Interest
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	1,236,903	1,438,962	1,236,903	1,438,962	1,236,903	1,438,962
2005-07 Maintenance Level	1,389,422	1,574,575	1,389,422	1,574,575	1,389,422	1,574,575
Policy Changes:						
1. New Debt 2005-07 Capital Budget	27,200	27,200	27,200	27,200	27,200	27,200
2. General Inflation	-14	-171	-14	-171	-14	-171
Total Policy Changes	27,186	27,029	27,186	27,029	27,186	27,029
Total 2005-07 Biennium	1,416,608	1,601,604	1,416,608	1,601,604	1,416,608	1,601,604
Difference from 2003-05	179,705	162,642	179,705	162,642	179,705	162,642
% Change from 2003-05	14.5%	11.3%	14.5%	11.3%	14.5%	11.3%

Comments:

1. New Debt 2005-07 Capital Budget - Debt service and bond sale expenses will be incurred for new debt issued to fund the 2005-07 Biennium capital plan proposed by the Senate.

2005-07 Omnibus Operating Budget
Special Appropriations to the Governor
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	94,390	108,420	94,390	108,420	94,390	108,420
2005-07 Maintenance Level	18,800	22,800	18,800	22,800	18,800	22,800
Policy Changes:						
1. Governor's Emergency Fund	0	0	0	0	500	500
2. K-20 Telecommunications Network	0	0	-3,420	-420	-3,420	-420
3. Sex Offender Sentencing Impact	837	837	837	837	837	837
4. Small Agency Info Technology Pool	500	500	500	500	500	500
5. Capitol Building Construction Acct	1,600	1,600	1,600	1,600	1,600	1,600
6. State Purchasing Strategy	-25,000	-25,000	-25,000	-25,000	-25,000	-25,000
7. Base Realignment and Closure Assist	0	0	150	150	150	150
8. Life Science #	150	150	150	150	500	500
9. Mission Critical Staff	0	0	4,000	4,000	4,000	4,000
10. Individual Developmt Acct (HB 1408)	0	0	1,021	1,021	1,021	1,021
11. Mental Health Task Force (HB 1290)	0	0	50	50	50	50
12. County Public Health Assistance	48,000	48,000	48,000	48,000	48,000	48,000
13. Extraordinary Criminal Justice Cost	70	70	70	70	70	70
14. Eliminate Double-Filled Positions	-4,000	-4,000	-4,000	-4,000	-4,000	-4,000
15. Emergency Drought Declaration	0	0	725	725	0	0
Total Policy Changes	22,157	22,157	24,683	27,683	24,808	27,808
Total 2005-07 Biennium	40,957	44,957	43,483	50,483	43,608	50,608
Difference from 2003-05	-53,433	-63,463	-50,907	-57,937	-50,782	-57,812
% Change from 2003-05	-56.6%	-58.5%	-53.9%	-53.4%	-53.8%	-53.3%

Comments:

2. K-20 Telecommunications Network - Funding is provided from Qwest settlement proceeds for the on-going operational costs and equipment replacement expenses of the K-20 Educational Network (K-20) for the universities, community and technical colleges, educational service districts, public school districts and public libraries. (Education Technology Revolving Account)

2005-07 Omnibus Operating Budget Special Appropriations to the Governor

3. Sex Offender Sentencing Impact - In 2004, the Legislature passed House Bill 2400 (Chapter 176, Laws of 2004), which makes improvements to the Special Sex Offender Sentencing Alternative and imposes a new requirement on counties. Funding is provided to counties to pay for increased jail time and annual hearings after release for special sex offenders. The distribution to counties will be based on a formula provided by the Sentencing Guidelines Commission.

4. Small Agency Info Technology Pool - In the 2005-07 Biennium, the Small Agency Initiative, a partnership between the Department of Information Services, Department of General Administration, and Office of Financial Management, will continue its work to address the information technology (IT) technical, security, and facility requirements of small agencies. Funds are provided for deposit into the Data Processing Revolving Account for a Small Agency Information Technology Pool to accomplish the following strategies: IT technical/security and facility assessments; critical IT infrastructure equipment acquisition; and resource-sharing of IT infrastructure through co-location with larger agencies or migration to DIS centralized e-mail and server hosting services.

5. Capitol Building Construction Acct - Reduced timber sales (as projected in the November 2004 forecast) result in a revenue shortfall to the Capitol Building Construction Account. This is a one-time transfer. Future timber revenues should generate enough funds to meet the debt service for the Legislative Building and Department of Natural Resources Building.

6. State Purchasing Strategy - A new Strategic Sourcing initiative will enable state government to purchase goods and services in a more cost-effective manner. This effort will include an analysis of all aspects of the state purchasing process.

7. Base Realignment and Closure Assist - Funding is provided for grants to support projects in Island County, Kitsap County, Pierce County, Snohomish County, and Spokane County when a military base in that county is at risk of being identified for closure on the federal base realignment and closure process. The Office of Financial Management shall establish a process for selecting projects for funding based on criteria used to determine the federal base realignment and closure list as well as recommendations by the Department of Community, Trade, and Economic Development and the Military Department. Final allocation of the grants shall be at the discretion and with the approval of the director of the Office of Financial Management.

8. Life Science # - The Life Science Discovery Fund Authority is established by 2SSB 5581 to promote life sciences and related research to be conducted in Washington State. Funding is provided for start-up costs.

9. Mission Critical Staff - Funding is provided for mission-critical staff positions through out state government that would otherwise be eliminated due to budget reductions in individual agencies. None of these funds may be used, directly or indirectly, to increase employee compensation. The Director of Financial Management may increase agency allotments to reflect this item.

10. Individual Developmt Acct (HB 1408) - Funding is provided for the implementation of Substitute House Bill No. 1408 (individual development accounts). If the legislation is not enacted by June 30, 2005, the funding lapses.

11. Mental Health Task Force (HB 1290) - Funds are provided for the task force created in Engrossed Second Substitute House Bill No. 1290 (community mental health). If the bill is not enacted by June 30, 2005, the amounts provided shall lapse.

**2005-07 Omnibus Operating Budget
Special Appropriations to the Governor**

12. County Public Health Assistance - Assistance is provided to local public health districts to support essential public health services. The Department of Community, Trade and Economic Development will distribute funds to local public health jurisdictions. (Health Services Account-State)

13. Extraordinary Criminal Justice Cost - Funding is provided to assist a county experiencing extraordinary costs in a criminal justice case.

14. Eliminate Double-Filled Positions - This reduction reflects General Fund-State savings resulting from the elimination of agency exempt employee positions that have been double-filled by two or more employees. The Director of Financial Management shall reduce agency allotments to reflect the savings.

15. Emergency Drought Declaration - Funds are provided for appropriation to the State Emergency Water Projects Revolving Account.

2005-07 Omnibus Operating Budget
Sundry Claims
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	82	477	82	477	82	477
2005-07 Maintenance Level	3	18	3	18	3	18
Policy Changes:						
1. General Inflation	-3	-18	-3	-18	-3	-18
Total Policy Changes	-3	-18	-3	-18	-3	-18
Total 2005-07 Biennium	0	0	0	0	0	0
Difference from 2003-05	-82	-477	-82	-477	-82	-477
% Change from 2003-05	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%	-100.0%

Comments:

1. General Inflation - Agencies are required to find sufficient efficiencies in their operations to cover the cost of inflation in the goods, services, and supplies needed for performance of their mission.

2005-07 Omnibus Operating Budget
State Employee Compensation Adjustments
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	6	-2,529	6	-2,529	6	-2,529
2005-07 Maintenance Level	25,579	35,346	25,686	35,452	25,686	35,452
Policy Changes:						
1. WFSE COLA/Salary Survey	55,325	117,229	55,325	117,229	55,325	117,229
2. WPEA COLA/Salary Survey	4,622	10,528	4,622	10,528	4,622	10,528
3. Teamsters' COLA/Salary Survey	20,941	20,941	20,941	20,941	20,941	20,941
4. UFCW COLA/Salary Survey	0	1,138	0	1,138	0	1,138
5. Local 17 COLA/Salary Survey	241	241	241	241	241	241
6. 1199 COLA/Sal Surv/Addtl Step	3,916	5,678	3,916	5,678	3,916	5,678
7. Coalition COLA/Salary Survey	1,627	5,183	1,627	5,183	1,627	5,183
8. Super Coalition Health Benefits	60,392	104,524	60,392	104,524	60,392	104,524
9. Classification Revisions	1,717	2,976	1,717	2,976	1,717	2,976
10. COLA-Nonrepresented	34,518	67,825	32,653	63,549	32,653	63,549
11. Nonrepresented Health Benefit Chg	10,119	19,119	10,119	19,119	10,119	19,119
12. Salary Survey-Nonrep Staff	8,791	16,807	8,791	16,807	8,791	16,807
13. Pension Rate for Gain-Sharing	0	0	-15,668	-28,986	-15,668	-28,986
14. Suspend Plan 1 UAAL Contributions	0	0	-50,947	-97,382	-49,497	-91,885
15. Pension Policy Adjustment	-56,214	-104,080	0	0	0	0
Total Policy Changes	145,995	268,109	133,729	241,545	135,179	247,042
Total 2005-07 Biennium	171,574	303,455	159,415	276,997	160,865	282,494
Difference from 2003-05	171,568	305,984	159,409	279,526	160,859	285,023
% Change from 2003-05	2859466.7%	-12099.0%	2656816.7%	-11052.8%	2680983.3%	-11270.2%

Comments:

1. WFSE COLA/Salary Survey - Funding is provided to cover the cost of the contract negotiated between the Governor's Office of Labor Relations and the Washington Federation of State Employees. It provides a cost-of-living adjustment of 3.2 percent on July 1, 2005, and 1.6 percent on July 1, 2006. Also funded is the implementation of the Department of Personnel's 2002 Salary Survey for those classifications that are more than 25 percent behind the market rate of compensation. (General Fund-State, General Fund-Federal, General Fund-Local, other funds)

2005-07 Omnibus Operating Budget State Employee Compensation Adjustments

2. WPEA COLA/Salary Survey - Funding is provided to cover the cost of the contract negotiated between the Governor's Office of Labor Relations and the Washington Public Employees Association. It provides a cost-of-living adjustment of 3.2 percent on July 1, 2005, and 1.6 percent on July 1, 2006. Also funded is the implementation of the Department of Personnel's 2002 Salary Survey for those classifications that are more than 25 percent behind the market rate of compensation. (General Fund-State, General Fund-Federal, General Fund-Local, other funds)

3. Teamsters' COLA/Salary Survey - Funding is provided to cover the cost of the contract negotiated between the Governor's Office of Labor Relations and the International Brotherhood of Teamsters. It provides a cost-of-living adjustment of 3.2 percent on July 1, 2005, and 2.9 percent on July 1, 2006. Also funded is the implementation of the Department of Personnel's 2002 Salary Survey for those classifications that are more than 25 percent behind the market rate of compensation. (General Fund-State, Public Safety and Education Account-State)

4. UFCW COLA/Salary Survey - Funding is provided to cover the cost of the contract negotiated between the Governor's Office of Labor Relations and the United Food and Commercial Workers. It provides a cost-of-living adjustment of 3.2 percent on July 1, 2005, and 1.6 percent on July 1, 2006. (Liquor Revolving Account-State)

5. Local 17 COLA/Salary Survey - Funding is provided to cover the cost of the contract negotiated between the Governor's Office of Labor Relations and the International Federation of Professional and Technical Engineers Local 17. It provides a cost-of-living adjustment of 3.2 percent on July 1, 2005, and 1.6 percent on July 1, 2006. Also funded is the implementation of the Department of Personnel's 2002 Salary Survey for those classifications that are more than 25 percent behind the market rate of compensation. (General Fund-State)

6. 1199 COLA/Sal Surv/Addt'l Step - Funding is provided to cover the cost of the contract negotiated between the Governor's Office of Labor Relations and the Service Employees International Union 1199. It provides a cost-of-living adjustment of 3.2 percent on July 1, 2005, and 1.6 percent on July 1, 2006. Funding is also provided to implement changes to the salary grid, including an extra step added to salary range "N." (General Fund-State, General Fund-Federal, General Fund-Local, other funds)

7. Coalition COLA/Salary Survey - Funding is provided to cover the cost of the contract negotiated between the Governor's Office of Labor Relations and the Coalition of employee unions with fewer than 500 members. It provides a cost-of-living adjustment of 3.2 percent on July 1, 2005, and 1.6 percent on July 1, 2006. Also funded is the implementation of the Department of Personnel's 2002 Salary Survey for those classifications that are more than 25 percent behind the market rate of compensation. (General Fund-State, General Fund-Federal, General Fund-Local, other funds)

8. Super Coalition Health Benefits - The Senate budget provides sufficient funding to provide same health benefit package and level of cost-sharing during the 2005-07 biennium for both represented and non-represented employees, provided that medical premium inflation does not exceed 8.5 percent per year. The employer funding rates for represented employees were established through collective bargaining in September 2004 and will be \$663/month for FY 2006 and \$744/month for FY 2007. The employer funding rate for non-represented employees will be \$663/month in FY 2006. An updated financial forecast for the Insurance Account indicates additional resources will be available, allowing the funding rate for non-represented employees to be set at \$618 per month in FY 2007. The Senate intends to hold the average employee contribution to 12 percent of the total cost of the medical benefit based on a projected annual rate of inflation of 8.5 percent. If actual costs increase more than expected, the Senate intends to make additional funds available to fund health benefits for represented state employees in order to cover the additional cost of inflation up to a maximum of 11 percent. (General Fund-State, General Fund-Federal, General Fund-Local, other funds)

2005-07 Omnibus Operating Budget State Employee Compensation Adjustments

9. Classification Revisions - Funding is provided to continue to phasing in the classification consolidation and revisions required by the Public Service Reform Act of 2002. Group Two and Group Three of the Department of Personnel's classification plan are to be consolidated during the 2005-07 biennium. (General Fund-State, General Fund-Federal, General Fund-Local, other funds)

10. COLA-Nonrepresented - Funding is provided to give cost-of-living adjustments of 3.2 percent on September 1, 2005 and 1.6 percent on September 1, 2006 to non-represented employees. (General Fund-State, other funds)

11. Nonrepresented Health Benefit Chg - The Senate budget provides sufficient funding to provide same health benefit package and level of cost-sharing during the 2005-07 biennium for both represented and non-represented employees, provided that medical premium inflation does not exceed 8.5 percent per year. The employer funding rates for represented employees were established through collective bargaining in September 2004 and will be \$663/month for FY 2006 and \$744/month for FY 2007. The employer funding rate for non-represented employees will be \$663/month in FY 2006. An updated financial forecast for the Insurance Account indicates additional resources will be available, allowing the funding rate for non-represented employees to be set at \$618 per month in FY 2007. The actual state cost paid from the insurance account per employee will be the same for represented and non-represented employees if inflation does not exceed the expected level of 8.5 percent per year. (General Fund-State, General Fund-Federal, General Fund-Local, other funds)

12. Salary Survey-Nonrep Staff - Funding is provided for salary increases for those job classifications identified as being compensated more than 25 percent lower than the market rate in the Department of Personnel's 2002 Salary Survey. (General Fund-State, General Fund-Federal, General Fund-Local, other funds)

13. Pension Rate for Gain-Sharing - Gain-sharing benefits in the Public Employees' Retirement System, the Teachers' Retirement System, and the School Employees' Retirement System are subject to prior approval, and are not pre-funded by contributions by employers to the retirement plans. Upon distribution of benefits, the changes in assets and liabilities are recognized and incorporated into future contribution rates. (General Fund-State, other funds)

14. Suspend Plan 1 UAAL Contributions - Funding levels are adjusted to reflect the pension funding policy proposal under which the statutes related to gainsharing benefits in Plan 1 and 3 of the Public Employees' Retirement System (PERS), the Teachers' Retirement System (TRS), and the School Employees' Retirement System (SERS) are modified to require legislative approval of payments and allow recognition of gainsharing benefit costs at the time of disbursement. A phased-in schedule of contribution rates is adopted for PERS, TRS, and SERS, and employer contributions towards amortizing the Unfunded Accrued Actuarial Liabilities in the Public Employees' Retirement System and Teachers' Retirement System Plans 1 are suspended during the 2005-07 biennium. The employee contribution rates in FY 2006 are 2.25 percent of pay for PERS Plan 2, 2.48 percent of pay for TRS Plan 2, and 2.75 percent of pay for SERS Plan 2. In FY 2007, the employee contribution rates are 3.50 percent of pay for PERS Plan 2, 3.00 percent of pay for TRS Plan 2, and 3.75 percent of pay for SERS Plan 2. (General Fund-State, other funds)

2005-07 Omnibus Operating Budget
Contributions to Retirement Systems
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	54,660	54,660	54,660	54,660	54,660	54,660
2005-07 Maintenance Level	81,400	81,400	81,400	81,400	81,400	81,400
Policy Changes:						
1. Emergency Medical Technicians	0	0	300	300	0	0
2. Disability allowance	0	0	1,900	1,900	0	0
Total Policy Changes	0	0	2,200	2,200	0	0
Total 2005-07 Biennium	81,400	81,400	83,600	83,600	81,400	81,400
Difference from 2003-05	26,740	26,740	28,940	28,940	26,740	26,740
% Change from 2003-05	48.9%	48.9%	52.9%	52.9%	48.9%	48.9%

Comments:

1. Emergency Medical Technicians - Funding is provided for the increase in state contributions related to the enactment of SHB 1936 (Emergency Medical Technicians).

2. Disability allowance - Funding is provided to cover the additional state contributions required for the Law Enforcement Officers' and Fire Fighters' Retirement System, Plan 2 (LEOFF 2) as a result of eliminating the actuarial reduction for early retirement applied to the retirement allowance of members disabled as a result of injuries incurred in the line of duty, pursuant to Substitute Senate Bill 5615 (LEOFFRS Disability Allowance). This appropriation is contingent upon the enactment of Substitute Senate Bill 5615. (Department of Retirement Systems Expense Account-State)

2005-07 Omnibus Operating Budget
Other Legislation
(Dollars in Thousands)

April 23, 2005
12:57 pm

	Senate As Passed Floor		Conference Proposal Comp Not Spread		As Passed House	
	NGFS	Total	NGFS	Total	NGFS	Total
2003-05 Estimated Expenditures	0	0	0	0	0	0
2005-07 Maintenance Level	0	0	0	0	0	0
Policy Changes:						
1. Justice Funding - SB 5454	0	0	0	12,700	0	0
2. Postpartum Depression - SB 5898	25	25	25	25	0	0
3. Small Business Assistance -SSB 5902	45	45	45	45	0	0
4. Veterans' Widows Tax Asst-SHB 1509	0	0	276	276	0	0
5. Tire Waste & Removal - SHB 2085	0	0	0	190	0	0
6. Real Estate Excise Fees - SHB 1240	0	0	3,900	3,900	0	0
Total Policy Changes	70	70	4,246	17,136	0	0
Total 2005-07 Biennium	70	70	4,246	17,136	0	0
Difference from 2003-05	70	70	4,246	17,136	0	0
% Change from 2003-05	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Comments:

2. Postpartum Depression - SB 5898 - Senate Bill 5898 appropriates one-time funding to the Governor's Council for the Prevention of Child Abuse & Neglect for a public information and outreach program regarding significance, signs, and treatment of postpartum depression.

3. Small Business Assistance -SSB 5902 - Substitute Senate Bill 5902 appropriates one-time funding to the Department of Community, Trade, & Economic Development to establish a small business innovation research assistance program at the Washington Technology Center.

4. Veterans' Widows Tax Asst-SHB 1509 - The Senate amendment to SHB 1509 establishes a grant program to provide property tax assistance to widows of veterans.

5. Tire Waste & Removal - SHB 2085 - Appropriations are made from the Waste Tire Removal Account to the Department of Revenue and the Office of Financial Management for the purposes specified in Substitute House Bill 2085 (cleanup of waste tires).